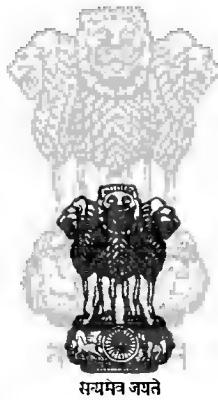


REPORT OF THE COMMITTEE ON THE SERVICE CONDITIONS OF MUNICIPAL EMPLOYEES



GOVERNMENT OF INDIA
MINISTRY OF HEALTH, FAMILY PLANNING AND URBAN
DEVELOPMENT 1968

REPORT OF THE COMMITTEE ON THE SERVICE CONDITIONS OF MUNICIPAL EMPLOYEES



**GOVERNMENT OF INDIA
MINISTRY OF HEALTH, FAMILY PLANNING AND URBAN
DEVELOPMENT 1968**

CONTENTS

CHAPTER	PAGE
I Introductory	1
II Existing personnel practices in local bodies	5
III Requisites of effective and efficient municipal service	24
IV State Cadres and Service Conditions of Municipal Employees	32

ANNEXURES

I Comments of State Govts. on the recommendations of the Rural Urban Relationship Committee—	
1. Bihar	43
2. Uttar Pradesh	45
II List of posts and scales of pay in the U. P. Centralised Paliaka Services	50
III Recommendations of Rural Urban Relationship Committee—	
(a) State Cadres for Municipal Officers	57
(b) Service Conditions of Municipal Staff	60

CHAPTER I

INTRODUCTORY

1.1. The First Conference of Local Self Government Ministers held in August, 1948 adopted the following resolution :—

(Resolution No. 3 b)

“In view of the fact that Provincial Cadre will facilitate recruitment of suitable personnel from a wide field and provide a more efficient and contented service this Conference is of the opinion that there should be Provincial Cadres for the higher executive and technical staff employed by local bodies.”

Again at the Second Conference in 1954, it was resolved that the more important posts in local bodies should be centralised on a State-wide basis and should be made transferable (Resolution No. 11). Similar resolutions have been adopted from time to time by the Central Council of Local Self Government, the All-India Council of Mayors and the Conference of Municipal Corporations. At the 9th meeting of the Central Council of Local Self Government held in New Delhi in 1963, the Himachal Pradesh Government put up a note for consideration of the Council and Stated that inefficiency among the staff of local bodies was due to the fact that qualified persons were not attracted to join service under them because of the low pay scales and disparity in the emoluments between employees of local bodies and Government employees, and they proposed that employees of local bodies should be brought at par with the State Government employees of corresponding ranks in the matter of pay scale, pensions, gratuity, etc. The U.P. Government also put up proposals at this meeting for providing pensionary benefits to employees of local bodies. The matter was referred to the State Governments and at the 10th meeting of the Central Council held at Bombay in 1965, it was suggested that a Committee be appointed to go into the question. Having considered the decisions taken at the above meetings of the Central Council of Local Self Government the Executive Committee of the Council at its meeting held in June,

1965 set up a Committee consisting of the following:— (Resolution No. 9).

1. Union Deputy Minister for Health	—Chairman
2. Minister for Urban Development, Maharashtra.	—Member
3. Minister of Local Self Government, Madras	—Member
4. Minister of Local Self Government, Bihar	—Member
5. Minister of Local Self Government, Uttar Pradesh.	
6. Minister of Local Self Government, Madhya Pradesh.	

The Committee was required to go into the following matters :—

- (a) The question of improvement of service conditions of municipal employees;
- (b) Suggesting a pattern of organisation for State-wide municipal services.

1.2. The Committee was asked to submit its report by 30th November, 1965. A questionnaire was drawn up and circulated to the State Governments and municipal bodies as well as to experts in the field of local government, in August/September, 1965. The response to the questionnaire was generally poor and replies received were considerably delayed. In the meantime, the Government of Maharashtra put up a note on the question of creation of a common cadre for municipal health officers at the 11th meeting of the Central Council of Local Self Government held early in 1966. The Council was of the view that Executive Officers, Health Officers, Engineers should form part of a State cadre from which they should be deputed to local bodies, but it was decided that since the question was receiving attention of the Rural Urban Relationship Committee its recommendations be awaited. The Report of R.U.R.C. was submitted to the Ministry of Health and Family Planning on 30th June, 1966.

1.3. The first meeting of this Committee was held in November, 1966 and was attended by the following:—

- 1 Shri B. S. Murthy . . . Deputy Minister of Health & Family Planning, Chairman
- 2 Dr. Rafiq Zakaria . . . Minister for U.D. Maharashtra
- 3 Shri S. N. Sinha . . . Minister for L.S.G. Bihar
- 4 Smt. Rani Padmawati . . . Minister for L.S.G. Madhya Pradesh
- 5 Shri Charan Singh . . . Minister for L.S.G. Uttar Pradesh

The recommendations of the Rural Urban Relationship Committee on the question of State cadre for municipal officers and on general service conditions of other municipal employees were placed before the meeting. The Committee considered the scope of the work to be covered and it was decided that the Committee could not go into minor details about the problems of conditions of service in the different States. It decided to concern itself with the broad structure, organisation and general conditions of municipal services.

1.4. Doubts were raised by the Minister for Urban Development, Maharashtra at this meeting about the competence of the State Governments to constitute State cadres which by taking full powers of appointments, promotions, postings and transfers etc and thus limiting the autonomy of the local bodies. The Minister from Uttar Pradesh, however, did not find any difficulty in provincialising about 19 different categories of municipal services. The Ministers from Madhya Pradesh and Bihar were also of the view that the State Governments had full powers in all matters relating to the municipalities subject to the laws passed by the State Legislature. However, it was decided to refer the matter to the Ministry of Law for advice. The Committee also decided to postpone consideration of the recommendation of the R.U.R.C. and desired that information be obtained from States where some form of local government cadres existed.

1.5. The next meeting of the Committee could be held only after the General Elections on 5th June, 1967, and the personnel of the Committee had almost completely changed. Members of the Committee were as follows:—

1. Shri B. S. Murthy, Deputy Minister for Health & Family Planning:

—Chairman

2. Shri Krishnapal Singh, Minister for LSG, Government of Madhya Pradesh.	—Member
3. Shri Bhola Prasad Singh, Minister for LSG, Government of Bihar.	--Member
4. Shri M. Muthuswamy, Minister for local Administration, Government of Madras.	—Member
5. Shri Vermeshwar Pandey, Minister for LSG, Uttar Pradesh.	—Member
6. Shri P. G. Kher, Minister for Urban Developmnet Maharashtra.	--Member

The Committee broadly accepted the necessity of State wide cadres but deferred decision on details, giving time to the Members and State Governments to study the matter and give their comments. The next meeting was held on 4th July, 1967 and the comments of the Government of Bihar and Uttar Pradesh were received which are given in Annexure I. The Committee considered the various issues in detail and formulated its recommendations on the basis of which it was decided that a draft report be prepared and placed before the Committee.

1.6. The final meeting of the Committee was held on 18th November, 1967. In the meantime there had been another change in the Committee's membership with Shri Sharda Charan Tewari replacing Shri Krishna Pal Singh as Minister for Local Self Government in Madhya Pradesh.

1.7. The Committee placed on record the valuable contribution made by the officers of the State Governments, who attended its meetings. Their knowledge of details and field experience greatly helped the Committee in its deliberations and finalising its recommendations. The Committee is also grateful to Shri Gian Prakash, Joint Secretary of the Ministry of Health and Family Planning and Urban Development, for his guidance in all the work of the Committee and to Shri S. N. Varma, Deputy Secretary in the Ministry for his untiring efforts as Secretary of the Committee. The Committee also appreciates the work of the Research staff of the LSG/UCD Cell for collection and presentation of useful material and of Shri Deva Raj Officer on Special Duty for preparing the draft report for final consideration of the Committee.

CHAPTER II

EXISTING PERSONNEL PRACTICES IN LOCAL BODIES

2.1. A broad survey of the existing personnel practices in the urban local bodies shows notable variations from State to State. It is possible to identify the existence of one or the other or a combination of the three definite types of local government personnel systems as mentioned below :—

- (a) A separate personnel system in which each local authority appoints, and administers personnel who are not automatically transferable to another jurisdiction.
- (b) A unified local government service in which all or some categories of personnel of local authorities constitute a career service for the entire State. It is administered and controlled by an agency at the State level and the personnel is transferable between local authorities only.
- (c) An integrated service in which the personnel of the State Government and that of the local authorities form part of the same service and transfers are possible not only between local authorities but also to appropriate departments of the State Government.

In the past most of the States have all along had a separate personnel system with a few exceptions here and there. Only the State of Madras in the old days adopted the system of State-wide service of Municipal Commissioners and Executive Officers. The Municipal Commissioners of the Corporations have also been appointed from the State or All-India administrative service cadres by the State Governments. In some States some officers, particularly in the field of Public Health, had been deputed by the State Governments to service with the municipalities for a long time. For instance, in Uttar Pradesh officers of the Department of Health and Medical Services included in their strength since 1927 the Health Officers of the municipalities so that there has been an integrated combined cadre.

2.2. Some of the Municipal Acts also lay down statutory limitations about the appointments of senior officers, such as the

Executive Officer, the Municipal Engineer the Water Works Superintendent and some other technical officers, requiring confirmation or prior approval of the State Governments for appointments on these posts. It has also been noticed in recent years that provision has been made in some Municipal Acts for appointments being made by the municipal councils in consultation with the Public Service Commission in respect of posts carrying a salary above a prescribed limit. By and large, however, the municipalities have had full freedom to recruit and appoint municipal servants and also exercise full disciplinary and administrative control over them. The municipal law generally vests the powers of appointment or disciplinary control in the Chairman or the Standing Committees and in the case of higher appointments in the municipal council itself. Even in Municipal Corporations, the powers of appointment of the Municipal Commissioner are limited to junior subordinate staff and the Standing Committee of the Council exercises the powers of appointment and disciplinary control.

2.3. There has been a growing tendency in recent years to remedy this state of affairs, firstly by laying down detailed rules and regulations about qualifications, pay scales, recruitment, promotions and disciplinary proceedings etc. and secondly by adopting State-wide cadres of municipal services. The principle appears to have been accepted more or less by most State Governments. A number of State Governments have also amended their municipal laws to take powers for the organisation of such cadres. Some of the State Governments have already taken concrete steps in this direction. The more prominent instances of such action are discussed in the following paragraphs.

ORISSA

2.4. The system obtaining in Orissa has more or less worked out to be an integrated personnel system. No separate cadres of services have been constituted for municipalities but State servants of corresponding status, emoluments and qualifications, administrative or technical are being appointed to the posts in the municipalities in the higher categories. According to section 74 of the Orissa Municipal Act 1950 every municipal council must have an Executive Officer, an Engineer and a Health Officer "who shall be servant of the State Government appointed to the municipality on such conditions as are prescribed". According to Chapter 8

of Orissa Municipal Rules 1953, the Executive Officers are to be appointed from the Orissa Administrative Service or the Orissa Administrative Subordinate Service depending on the gradation of the municipalities to which they are posted. Their emoluments are to be met from the municipal fund and the municipal council is also to pay the leave salary and pension contributions to the Government. The powers to sanction casual leave, countersigning of TA Bills and other day-to-day administrative control vest in the Chairman of the Municipality, but applications for all leave other than casual leave are to be entertained by the State Governments and the leave salaries paid from the State funds. The Municipal Engineers and Health Officers are also drawn from the respective services of the State Governments under similar conditions. Wherever the municipal council is unable to have a full time Engineer or Health Officer a proviso to the Section 74 of the Orissa Municipal Act, 1950 provides for the District Engineer or the District Health Officer of the District to function as the Engineer and Health Officer of the municipality concerned.

2.5. With the exception of the above officers, all other establishment belongs to a separate personnel system. Section 73 of the Orissa Municipal Act, 1950 provides for fixing the number, designation, grades, salaries, fees and allowances of all other officers and servants by the municipal councils with the previous sanctions of the State Government. Section 75 provides for the constitution of a selection committee consisting of the Chairman, a member of the Municipal Council elected for the purpose and the Executive Officer, the Engineer or the Health Officer as the case may be. The appointments are to be made by the Chairman, but those drawing a substantive salary of not exceeding Rs. 75/- per month are to be appointed by the Executive Officer, the Engineer or the Health Officer concerned. The appointing authority have also the powers of disciplinary control and appeal against the orders of the Executive Officer, Health Officer or Engineer lie to the Chairman and those from the orders of Chairman to the State Government.

2.6. Section 81 of the Act, however, vests in the State Government the power to constitute by Notification any class of officers or servants of municipalities or District Boards or both into a local Fund Service of the State of Orissa, that is, a unified service for local bodies in the State. No such service seems to have been constituted so far.

MADHYA PRADESH

2.7. Madhya Pradesh had inherited 4 different Municipal Acts and a variety of designations and conditions of municipal service. A unified Madhya Pradesh Municipalities Act was passed in 1961 to cover all municipalities excepting Municipal Corporations. Under Section 86 of this Act the State Government has taken powers to constitute unified State municipal services for the Chief Municipal Officers, Health Officers and Municipal Engineers, with all powers with regard to their appointments emoluments, pensionary benefits and disciplinary control, but no such services have so far been constituted. Under Section 89 however, pending the constitution of such services, the State Government has no power and is appointing Chief Municipal Officers, Health Officers and Engineers from corresponding State Cadres which has the effect of making them more or less integrated services though on a transitional basis. The Act also provides that if the council at a special meeting called for the purpose desires the transfer of any such officer, by votes more than 50 per cent of the total membership of the council, the State Government shall withdraw that officer. The State Government also took powers under Section 94(4) of the Act to accord approval to appointments made to some important posts in all municipal committees such as Revenue Officers, Accounts Officers, Sanitary Inspectors, Overseers, Revenue Inspectors and Accountants. No municipal committee can create, abolish or alter emoluments of any of these posts without prior approval of the Government. Nor can any municipal committee remove them from their posts without such prior approval. Under Section 94(7) the State Government has also taken powers to transfer any of the above officers, whose emoluments exceed Rs. 100 per month from one council to another.

2.8. The major cities, however, which are governed by the Madhya Pradesh Municipal Corporations Act 1956, continue to have a separate personnel system. Only the Municipal Commissioner is to be appointed by the State Government who has to be withdrawn on a vote of 3/4th of the total number of councillors. All other officers having a salary exceeding Rs. 150 per month are to be appointed by the Standing Committee of the Corporations in consultation with the State Public Service Commission. Posts carrying salaries of Rs. 150 or less per month are to be appointed by the Commissioner who has to report the matter to the Standing Committee.

2.9 The Madhya Pradesh Government also appointed a Committee of inquiry on the emoluments and conditions of service of municipal bodies in the State and its report was submitted in 1965. They have suggested uniform designations of posts with their qualifications and pay scales and the Government have accepted its recommendations and are now in the process of adjusting the existing incumbents into new posts and pay scales. They are also proposing to have a selection committee for municipalities at each district level under the Chairmanship of the Collector for appointments to Subordinate Municipal Services. They are also considering drafting of conduct rules, disciplinary proceedings and pensionary benefits creating a State Pension Fund for municipal employees on the same lines as are applicable to government employees.

RAJASTHAN

2.10. The major cities of Rajasthan used to be the special concern of the former princes and their Executive Officers or Municipal Commissioners belonged to the service of the old State and were absorbed in the Rajasthan State Service. Such Municipal Commissioners would fall therefore in the category of integrated services.

2.11. Cities with population of 50,000 or over have been categorised as municipal councils while other towns have each a municipal board. Under Section 307 of the Rajasthan Municipalities Act, 1959 the State Government has the power to appoint a Municipal Commissioner for every council and an Executive Officer for every Board. The State Government can also appoint a Secretary in addition to the Commissioner for every Council if the Council so resolves or for every board where there is no Executive Officer. Under Section 308 the State Government may, if it thinks necessary, also appoint a Health Officer, a Municipal Engineer, a Revenue Officer or any other officer for the performance in a municipality of any special or technical duties. The Municipal Council has administrative control over these officers but cannot take any action for suspension, dismissal or removal. Any other punishment that the council may decide to inflict requires a majority of not less than 2/3rd of the total members at a special general meeting and is subject to approval by the State Government.

2.12. Section 302 of the Rajasthan Municipal Act 1959 requires the State Government, as soon as may be after the commencement of the Act, to create and constitute a Rajasthan State Municipal Service including both administrative and technical officers. The Rajasthan Government created such a service under the Rajasthan Municipal Service Rules 1963 to include Commissioners, Executive Officers and Secretaries on the administrative side and Revenue Officers, Health Officers, Engineers, Junior Engineers and Fire Fighting Officers on the technical side. The existing incumbents are to be absorbed in this service on the recommendation of a selection committee composed of the Chairman of the Rajasthan Public Service Commission and two officers of the State Government. Further recruitments are to be made in consultation with the State Public Service Commission which is also to be consulted in all disciplinary matters affecting members of the service. This is a case, therefore, of unified municipal service. The rules have been enforced but steps have yet to be taken to absorb the existing employees after necessary screening.

2.13. The Rajasthan Government have gone further to frame the Rajasthan Government Municipal Subordinate and Ministerial Service Rules 1963, as well as the Rajasthan Municipalities (Class IV) Service Rules 1964 under its general rule making power, giving all the subordinate services the character of a unified cadre. The Municipal subordinate and Ministerial Service Rules cover practically the entire subordinate services as mentioned below:—

- (A) REVENUE : (i) Assessor (ii) Tax/Revenue/Octroi Inspector (iii) Asstt. Tax/Revenue/Octroi Inspector (iv) Nakedar/Moharir and (v) Sub-Nakedar.
- (B) HEALTH : (i) Sanitary/Food Inspector (ii) Asstt. Sanitary Inspector/Head Vaccinator (iii) Vaccinator (iv) Compounder/Junior Nurse/Midwife (v) Vaid Grade I (vi) Vaid Grade II.
- (C) LEGAL AFFIARS : (i) Pairokar Class I (ii) Pairokar Class II.
- (D) (a) Public Works Department: (i) Overseer Class, I (ii) Overseer Class II and (iii) Draftsman/Surveyor.
(b) Motor Garage : (i) Garage Superintendent (ii) Mechanic.
- (E) FIRE : (i) Assistant Fire Officer (ii) Tindal (iii) Fireman.
- (F) MINISTERIAL SERVICE : (i) Office Superintendent (ii) Head Clerk (iii) U.D.C. (iv) L.D.C. (v) Stenographer (vi) Accountant Grade I (vii) Accountant Grade II.

Their recruitment is to be made in consultation with the Commission to be constituted by the Government for this purpose. The lists are to be prepared on district-wise basis but the power of appointment vests in the councils as provided in the Act. Under the Class IV Service Rules, which apply to all Peons, Frashas, Process servers, Chowkidars, Coolies, Khalasis, Cleaners, Jamadars etc., selection is to be made by the Municipal Commissioner of a Council or the Chairman of a Board after inviting a panel of names, at the rate of at least 5 times the number of vacancies, from the nearest employment exchange. It is significant that although the appointing authorities continue to be the municipal authorities in respect of subordinate services the Director of Local Bodies of the State Government has been empowered to transfer the incumbents from one place to another. These rules also extend the Rajasthan Service Rules, 1951 (except provision relating to pension and payment of medical allowance), the Rajasthan Travelling Allowance Rules and the Rajasthan Civil Service Classification Control and Appeal Rules to the employees under the Subordinate and Class IV Services rules until such time separate rules are made for them.

MADRAS

2.14. There has been a tradition of State-wise service of Municipal Commissioners in the State of Madras. Their services, however, were formally provincialised w.e.f. January, 1956. This is true of both the Corporation and the municipal councils. As regards Health Officers, Municipal Engineers and Municipal Electrical Engineers or Assistant Electrical Engineers, Section 72 of Madras District Municipalities Act 1920 vested the power of appointment in the Municipal Councils. An amendment of the Act (Section 76A) empowered the State Government to take over by notification the power to appoint these officers in Municipalities. The State Government is exercising these powers, and the posts of Municipal Commissioners, Health Officers, Municipal Engineers and Electrical Engineers are all now borne on State cadres. There is the unified service of Municipal Commissioners, but the Municipal Health Officers and Municipal Engineers, have integrated cadres and they are deputed by the respective State departments. The Government exercise full control with regard to transfers, postings and disciplinary proceedings. The officers draw their pay and allowances from the State fund in the first

instance and later the amount is recovered from the Municipal Councils in the following manner: —

Designation	Name of Fund	Amount reimbursed by the Council
1	2	3
1 Commissioners .	State Fund	Full payment towards cost of post allowances leave and pensionary contributions.
2 Health Officers .	Do.	(i) 25% towards cost of post, 25% towards pensions, (ii) leave salary etc.
3 Engineers .	Do.	(i) 50% towards cost of post. (ii) Full amount of contribution towards leave salary, pension etc.

The Municipal Council has no disciplinary control over the Municipal Commissioners, but the Chairman or the Mayor has the power to sanction their casual leave and to initiate their confidential reports. In the case of Health Officers and Engineers the disciplinary control vests with the respective departmental heads. The Municipal Commissioner can grant casual leave and initiate their confidential reports.

2.15. Apart from the above officers, there are Town Planning Officers, Medical Officers Public Health staff, engineering subordinates, Auditors, Managers, Revenue Officers, Accountants, and other ministerial technical and medical staff which are appointed and controlled directly by the Municipal Councils. The appointment of Town Planning Officers, has, however, to be made in consultation and with the approval of the Director of Town Planning of the State Government. All these officers are under the disciplinary control of the Municipalities concerned and they do not have pensionary benefits. The fundamental rules and rules relating to travelling allowances etc. applicable to Government servants are also applicable to these municipal employees. The Government of Madras did acquire by an amendment of the Act in 1934 the power to transfer any officer or servant of a municipality

to the service of any other municipal or local board, under a new section 79A inserted in the Madras District Municipalities Act 1920. The power is exercised in due consultation with the municipalities between whom transfers are to be effected but any objection can be over-ruled by the State Government. There is also a provision made by an amending Act of 1930 to vest in the State Government the power to constitute by a notification any class of officers or servants of the Municipal Council into a municipal service for the State of Madras (by insertion of the new Section 77A in the District Municipalities Act 1920).

KERALA

2.16. Following the pattern of Madras, the Municipalities in Kerala always had their executive heads belonging to a State Government cadre. Section 19 of the Kerala Municipalities Act 1960 lays down that the Commissioner of a Municipality shall be an officer of the Government borne on such cadre of Government service as may be prescribed. The new ~~Act has taken~~ ~~as~~ ~~an~~ further and under Section 92 the Health Officer, Engineer and Elect. Engineer are to be Government Servants. The pay and allowances of these officers are fixed by the Government and are paid from the State funds in the first instance. They are recoverable from Municipal Council every month along with contributions towards leave salary and pension etc. These officers can be transferred by Government or will have to be transferred if recommended by a resolution passed by the Municipal Council at a special meeting called for the purpose by a majority of the total membership of the Council. In the case of Corporations only the Municipal Commissioner is required to be a Government officer and appointed in consultation with the Corporation Council. He has to be withdrawn on the vote of 2/3rd of the total membership of the Corporation Council at a special meeting called for the purpose. All these posts are thus of the nature of integrated cadres deputed from respective services in the Government.

2.17. Section 91 of the Kerala Municipal Act 1960, read with Section 90 (as amended in 1964) of the Kerala Municipal Corporation Act 1961, however, makes provision for constituting the employees under the Municipal Councils and Corporations of the State into a common municipal service for the State, thus creating

a unified cadre for all municipal servants excepting the top executive posts which are to be manned by Government officers belonging to appropriate cadres. The Kerala Government have prepared a complete scheme for unified cadres to be controlled by a Central agency and to be recruited through the State Public Service Commission. The Central Agency is the Director of Municipalities who will also exercise powers on behalf of the Government regarding transfers, promotions and disciplinary control. They have already taken stock of the requirements of staff of the Corporations and 10 major Municipalities and have standardised the posts for purposes of the State Cadres. It has been pointed out that in all these posts the scales of pay are the same as are admissible to personnel in Government service occupying corresponding posts. As regards pensionary benefits, it has been decided that municipal servants should be given the benefit of pension and a central pension fund should be maintained for the purpose. The schemes are under consideration.

ANDHRA PRADESH

2.18. The State of Andhra Pradesh comprises two regions, namely the former Hyderabad State and the former State of Andhra which in itself was carved out of the State of Madras from 1-10-1953. The system of Municipal Commissioners prevalent in the State of Madras was automatically taken over by State of Andhra, and extended gradually to the Hyderabad State region as well. The structure of the Municipal Services has partly been influenced by the traditions of the Ex-Nizam State of Hyderabad.

2.19. Section 130 of the Hyderabad Municipal Corporations Act 1955 required the constitution of a Local Government Service to include the posts of Commissioners, Deputy Commissioners, Assistant Commissioners, Municipal Secretary, Assessors, Engineers, Health Officers, Auditors and other important officials of the Corporation, so that most of the officers of the Corporation belong to unified cadres of services and they are under the full administrative control of the State Government. In the case of Municipalities the Government has the power under Section 29 of the Andhra Pradesh Municipal Act 1965 to appoint a Secretary. Under Section 71, all appointments to the posts of the Municipal Health Officer, Municipal Engineer, Education Officer or Town Planning Officer are to be made by the State Government. A proviso to Section 71 also lays down that in the case

of Municipalities with income of less than 3 lakhs of rupees, which will not be able to afford a full-time Municipal Health Officer, Municipal Engineer, Education Officer, Health Officer or a Town Planning Officer, a corresponding technical officer of the State Department concerned may be appointed to discharge the powers and functions on such terms and conditions as may be prescribed. These posts therefore, have the character of an integrated personnel system.

2.20. All the officers in the Corporations or the Municipalities as mentioned above draw their salaries and allowances from the State funds and their leave allowances, and pensionary contributions are also paid by the Government. The State Government may, however, recover from the Municipal Councils or Corporations concerned the entire costs either in part or in full as may be determined by the orders of the Government from time to time. In actual practice the Government recovers 25 per cent of the costs of Health Officers including leave allowances and pensionary contributions. With regard to Municipal Engineers, the entire costs are recoverable from the Municipal Corporations as well as Municipalities in the old Hyderabad region, but only 50 per cent in the Andhra region in view of the past practices prevailing in the Madras presidency. The Government have the power of posting and withdrawing all Municipal Commissioners and other Officers mentioned above and the Municipal Council can request the withdrawal of an officer by a resolution passed at a special meeting called for the purpose with a majority of not less than $3/5$ th of the total membership of the Council. In the case of Corporations the Commissioner has to be withdrawn at the vote of $2/3$ rd of the total strength.

2.21. The State Government has the power under Section 80 of the new Act of 1965 (as it had the power also under former Municipal Act) to constitute by a notification any class of officers or employees of the municipal bodies into a municipal service of the State.

2.22. The Andhra Pradesh Government had framed under the proviso to Article 309 of the Constitution the Andhra Pradesh Municipal Commissioner Subordinate Service Rules 1959 to cover

grade III Municipalities. Subsequently, in 1964 the Government created a unified cadre of Municipal Commissioners under the Andhra Pradesh Municipal Commissioner Service Rules 1964 to cover Municipal Commissioners for Selection Grade, Special Grade and First and Second Grade Municipalities. These rules were also framed in exercise of the powers conferred by proviso to Article 309 of the Constitution read with Section 12 of the Andhra Pradesh District Municipalities Act 1920—which is the old Madras District Municipalities Act as extended to Andhra. The use of the powers under Article 309 of the Constitution is significant. The posts of Municipal Commissioners Grade III are non-gazetted while others are gazetted with the following scales:

Grade III Non-Gazetted	Rs. 220-10-280-15-400
Grade II Gazetted	Rs. 325-20-425-25-600
Grade I Gazetted	Rs. 500-25-700
Special Grade Gazetted	Rs. 600-40-1000
Selection Grade Gazetted	Rs. 900-50-1100

Under the new Andhra Pradesh Municipalities Act 1965 the designation of Municipal Commissioners has been changed to Secretaries of Municipalities.

2.23. The recruitment to Grade III posts is to be direct through open competition for first and third vacancies while for second vacancy subordinate officials of the Municipalities and Corporations and for 4th vacancy the Upper Division Clerks of the Secretariat in the Health Housing and Municipal Administration Department of the State Government are eligible. The selection is to be made through the State Public Service Commission. As regards the Municipal Commissioner Grade II, two out of every 8 vacancies are to be filled by direct recruitment, three by promotion from third grade and another three by transfer by selection through State Public Service Commission from Secretariat Offices as well as from Municipal and Panchayat Raj Institutions from officials of status equivalent to those of third grade Municipal Commissioners. For grade I, six out of every 8 posts are to be filled by promotions from Grade II or from any equivalent posts, while the third vacancy is to be filled by transfer from the posts of Section Officers of the Secretariat Departments and the 6th from District Panchayat Officers, the latter being valid only up to 19th

May, 1968. The recruitment to the higher posts are entirely from lower posts or from such equivalent posts as those of Regional Director of Municipal Administration or Assistant Secretaries to the Government etc. who have experience of Municipal administration.

2.24. Apart from the above the State Government has also framed under the proviso to Article 309 of the Constitution, rules for a combined integrated service for Public Health Officers and Municipal Engineers as follows:

- (a) Andhra Pradesh Public Health Service Rules revised upto 1964.
- (b) Andhra Pradesh Public Health and Municipal Engineering Service Rules 1964.
- (c) Andhra Pradesh Public Health and Municipal Engineering Subordinate Service Rules 1964.

All recruitments are to be made by a State Public Service Commission and the methods of recruitment follow the pattern laid down for Municipal Commissioners partly by direct recruitment at the lower levels and by promotion at the higher levels. As indicated above all these servants draw their salaries from the consolidated fund of the State, the cost being recovered from the respective municipalities in the manner mentioned above.

UTTAR PRADESH

2.25. The question of provincialisation of municipal services in Uttar Pradesh had been under consideration for the last 25 years and various schemes were drawn up from time to time including the proposal of the establishment of a Local Self Government Board. It was not till 1964, however, that definite steps were taken to amend the U.P. Municipalities Act 1916 and the U.P. Nagar Mahapalika (Corporations) Adhiniyam, 1959, to vest in the State Government the powers to create centralised service cadres of municipal employees by insertion of Section 69-B and Section 112A in the two respective Acts. By the powers assumed under the above sections the Uttar Pradesh Government has launched upon the most comprehensive scheme of provincialisation of municipal services which came into force by a notification dated July 9, 1966.

2.26. The Uttar Pradesh Palika (Centralised) Service Rules 1966, have brought together 76 categories of employees from the highest administrative and technical posts down to the post of a Headclerk on the ministerial side, and including Overseers and Sanitary Inspectors on the technical side into 19 services. A list of these posts, with their pay scales is given in Annexure II. The various services include separate cadres of superior and subordinate services for administrative, medical, public health, engineering, water works, arboriculture, accounts and audit. There is also a cadre of educational services to include Superintendents and Lady Superintendents of education.

2.27. It may be mentioned here that there has been a long standing practice of having an integrated public health service for municipal health officers in U.P. since 1927. Not only all health officers are appointed from the cadres of officers in the Directorate of Medical Health Services but their salaries also are met from the State funds, the municipalities concerned only providing for the payment of conveyance allowances as prescribed by the Government. These health officers also exercise the powers under the Prevention of Food Adulteration Act and Drug Control Acts. There has been, however, shortage of officers in this field and the State Government has allowed municipalities to engage their health officers, wherever considered necessary. But municipalities find it difficult to obtain services of qualified Public Health Officers.

2.28. The new rules for centralised services provide for unified cadres of the various categories of services exclusively for postings to Municipal Boards and Corporations. The powers of postings, transfers, and recruitment to those posts now vest in the State Government. The recruitment is to be done through the State Public Service Commission. All posts carrying a starting pay of Rs. 500 and above are to be filled only by promotion, by selection on the basis of inter-se seniority from amongst all eligible officers of the next lower grade of the same centralised category of service in consultation with the Commission. Recruitment to all other posts is either direct or is to be made on the basis of 50 per cent by promotion and remaining 50 per cent by direct recruitment. The Municipal Commissioners of Corporations are not included in the service and are to be appointed directly by the State Government in accordance with provisions of Uttar Pradesh Nagar Mahapalika Adhiniyam 1959.

2.29. There was some resistance from a few officers of Municipalities and Corporations to the orders of transfer issued after the Notification dated July 9, 1966 and certain lacuna were discovered in the said rules. The rules were therefore amended with retrospective effect by publication of a Gazette Extraordinary on 10th October, 1966 to give the employees the freedom to exercise option for or against absorption in the Centralised Services. The permanent as well as temporary officers and servants, holding or performing the duties and functions of the Centralised Service posts immediately before the commencement of the rules were provisionally absorbed to the Centralised Services. Those who were found suitable for absorption have since been finally absorbed in the concerned Centralised Services, and the State Government have under orders passed by the 31st August 1967 determined the services of those officers and servants who opted against absorption or who were adjudged as unsuitable for final absorption in the Centralised Services. With a few exceptions the entire personnel in the various cadres stand absorbed in the services which are now being administered by the State Government.

2.30. The pay and allowances of the members of these services, as fixed by the State Government, are to be paid by the Municipalities or Corporations to which they are posted. The leave, leave allowances, fixation of pay, fees and honoraria and travelling allowances are to be included by the rules applicable to the government servants of the State. The State Government has not, however, created any funds, and in their keenness to constitute the services expeditiously they have steered clear of all financial liabilities in this matter. For instance, leave charges are to be borne by the municipal authority from where the officer proceeds on leave, while an officer on transfer from one local body to another is to draw his transit pay and allowances including travelling allowances on transfer from the municipal authority to which he is transferred thus avoiding any necessity of payment out of State funds.

2.31. The arrangements with regard to Provident Fund, Pension and other retirement benefits have for the time being avoided any financial commitment on the part of the State Government. The rules provide that until such time as a common provident fund for all centralised services is established any encadred officer or servant will be governed by the Provident Fund regulations or

rules of the municipal body to which he is posted and he will contribute a minimum amount of 6½ per cent of his emoluments to the Provident Fund and the municipal body will also contribute at a fixed rate of 6½ per cent. There were, however, instances of some of the municipal authorities having introduced the system of Pension and General Provident Fund, and in their cases the officer concerned will continue to be governed by such pensionary rules as were applicable to him immediately before his absorption into the service. If he is transferred from the parent body, the Municipality or Corporation to which he is posted will be responsible for deducting his contribution to the General Provident Fund and pay the amount along with pensionary contributions to the parent local body which will continue to be liable to pay the pension, gratuity or General Provident Fund to him on his retirement according to the rules applicable to him. The detailed rules framed in 1962 for the Municipal Corporations regarding disciplinary proceedings, appeals and representations against punishment etc. have been made applicable to all members of the service. The power of dismissal or removal from service or reduction in rank vests in the State Government, but as regards other punishments the President, Municipal Board, and in the cases of Corporations the Mukhya Nagar Adhikaris (Municipal Commissioners), are the competent authority. Provision exists for consultation with the State Public Service Commission before passing orders of dismissal, removal or reduction.

2.32. As regards employees who are not included in the centralised cadres detailed rules have been prepared in respect of recruitment and disciplinary proceedings. The State Government has also by an order dated February 22, 1967 revised the pay scales of officers and servants of all local bodies, both in respect of the centralised services and posts not covered by them. These pay scales are effective from April 1, 1967 and are almost identical, or comparable, with the pay scales applicable to corresponding employees of the State Government.

Other States

2.33. The situation more or less continues to be what it was more than a hundred years ago. Hardly any progress in this field appears to have been made in other states and there are stray cases of government servants, both in the administrative

and technical fields, being posted on deputation to the local authorities. Some of the States have reserved powers in the municipal laws regarding prior approval or confirmation for appointment of certain senior posts. They also give rights to employees for appeal to the Collector/Commissioner or the State Government. By and large, however, the municipal bodies in the various States have been functioning under a system of separate personnel with wide discretion in respect of employment of their employees and administrative and disciplinary control. There is, however, an increasing awareness of the need of a more rational personnel system for local authorities in the interest of better management and maintenance of local services. A few instances of action being taken in this direction are indicated below:—

mysore

2.34. The inclusion in the present State of Mysore of some of the areas that belonged formerly to the Madras presidency has brought with it the system of State Service of Municipal Commissioners prevailing in the local bodies of that State. Section 327 of the new Mysore Municipalities Act 1964 provides for Chief Officers to be appointed by the Government out of a unified cadre of the State Municipal Administrative Service, while Section 328 lays down that Health Officers shall belong to the Department of Public Health of the State Government. The Chief Officer can be withdrawn by a vote of 3/4th of total membership of the Municipal Council and 2/3rd in the case of Health Officers. The Municipal Engineers are also proposed to be deputed from the State cadres. The new system has, however, not yet been brought into force on a regular footing, although steps are being taken by the State Government to implement these provisions of law as far as possible.

MAHARASHTRA

2.35. Under Sub-Section 5 of Section 75 of the new Maharashtra Municipalities Act 1965 the State Government may by notification in the official gazette constitute common cadres of Chief Officers and, Municipal Engineers, Water Works Engineers, Municipal Health Officers, Municipal Auditor, Municipal Education Officer and any other officer whose minimum salary is not less than Rs. 225 per month. Any action taken by the State Government under the provisions of this Section would result in creation of unified cadres in the State. For the present however, a separate personnel system for all municipal services holds the field.

GUJARAT

2.36. Gujarat has a tradition of municipal autonomy. The Gujarat Municipalities Bill that was introduced in the State legislature in 1963, had a provision for a unified cadre of municipal services in the States. But the provision was dropped at the Select Committee stage in view of opposition from municipal authorities and the State had a separate personnel system for local bodies subject to larger control of the Government in respect of senior officers.

PUNJAB

2.37. Punjab has had a separate Act about the appointment of Executive Officers since 1931. According to the provisions of this Act the Municipal Councils, as may be designated by the State Government have to appoint Executive Officers within three months of their constitution after elections, failing which the Government has the right to appoint Executive Officers. The appointment is in any case subject to approval of the State Government. Generally speaking, the executive authority in the Municipalities vests in the President assisted by a Secretary. The Local Government Urban Inquiry Committee 1957, appointed by the Government of undivided Punjab, had recommended a unified cadre of Chief Officers on a state-wide basis while the Municipal Engineers and Health Officers were recommended to form part of the corresponding State Services. The recommendations were sought to be enforced through a new Punjab Municipal Bill 1963 which is still to be enacted. Under this bill a provision has been made for State-wide cadres of the above services to be recruited in consultation with the Punjab Public Service Commission.

BIHAR

2.38. Bihar had no system of Executive Officers and there has been no higher administrative post than that of an Accountant or Headclerk. The Government of Bihar have, however, recently amended the law to provide for the posts of Executive Officers in the Municipalities appointed by the State Government from the States Civil Service. They are being paid their salaries in the first instance from the consolidated fund of the State, to be later reimbursed by the Municipalities concerned. This has, therefore, the character of an integrated service. But the Government of Bihar favours the creation of unified cadres for Engineering and Medical

Health Services in the first instance, the question of integrating them with the State Cadres to be taken up at a later stage. The State Government have set up a Committee of officials and non-officials to go into the details of service conditions of the employees of local bodies and to make recommendations for the creation of a Centralised Cadre. The Committee will examine the emoluments of the employees also.

2.39. In Assam also an attempt was made to appoint Executive Officers by the State Government for one or two leading Municipalities. In West Bengal there is no system of Executive Officers and the elected councils practically run the Municipal Administration with full powers for recruitment and administrative control over staff. The observations made above in respect of Punjab equally apply to the State of Haryana.



CHAPTER III

REQUISITES OF EFFECTIVE AND EFFICIENT MUNICIPAL SERVICE

3.1. There is general discontent and frustration over the performance of our urban local authorities, and the image of Municipal Administration in the public mind is that of inefficiency, nepotism and corruption. In the words of the Rural Urban Relationship Committee :—

“No organisation can produce results unless competent personnel is attracted to it and retained. The paucity of resources and the failure to utilise the limited resources raised are to a considerable extent due to the inefficiency and inadequacy of the administrative and technical personnel. Unless the money is properly spent, tax payers cannot be expected to agree to contribute to the municipal exchequer. Money will not be well spent unless there is the right type of staff to organise the spending efficiently.” (Para. 8.01)

3.2. If the Municipalities are to fulfill the expectations of the citizens, and to play their proper role in the larger scheme of national development, they must have the requisite professional, technical and administrative staff which can only be ensured through a sound Local Government Personnel System. A recent U.N. publication* on the subject lays down the following principal features of a good personnel system :—

- (a) Posts in local government must be comparable in attractiveness to posts in States and Central Government or in the private sector if they are to interest qualified persons. This includes pay, working conditions, prestige, prospects and security.
- (b) Selection should be based on merit as determined as far as practicable by competitive or qualifying examinations with due consideration of the integrity and character of the candidate. Prejudices and pressures, both national and local, should be eliminated or at least reduced to a minimum. Recruitment should be so phased that new entrants to service can be duly trained and are ready to enter duty when needed avoiding hasty filling of vacancies.

*United Nations—Local Government Personnel system.

- (e) A career service should provide reasonable prospects for promotion on merit and seniority and protect them against victimisation resulting from political, social and ethnic pressures. This will foster satisfaction and loyalty in the service and free the elected councils from embarrassment of dispensing favours and imposing penalties.
- (d) Officers should be transferable. In addition to widening the experience of officers such mobility would benefit the local authorities. Ease of transfers may avoid the necessity of termination when an officer is unable, for personal reasons, to work well with a particular Chairman, Mayor or Council. Transfers, however, should not be too frequent.
- (e) Officers should be afforded opportunities for in-service training to develop their capabilities for effective service. While local authorities should perhaps help meet training costs, training should be planned and executed on a national or state-wide basis.
- (f) The Local Government officer should be loyal to the authorities he serves. This is not to be interpreted as requiring his approval of whatever policy the council adopts, while it is the officer's duty normally to implement policies. The officer should give honest advice. Courageous counsel, though often embarrassing and difficult to give, is necessary, and the officer should be protected against any adverse effects.
- (g) The officer should be responsive to his council and be induced to give his best service to the local authority through a system of checks and suitable action against an officer who does not pull his weight. There should be regular system of reporting on the officer's work and conduct through supervisory channels.

3.3. Even a casual look at the existing personnel system in different States is enough to show the wide gap between the existing practices and the requirements of sound personnel system as mentioned above. The problem is to devise ways and means that would ensure adequate supply of the right type of personnel for service under local bodies. The urban local bodies have complex

tasks to face and have the most difficult problems in the management, improvement and development of city service requiring a high degree of administrative drive and initiative and technical expertise.

3.4. A separate personnel system has been working in a number of countries such as, the United Kingdom, Japan, etc., where there is a tradition for local autonomy and the local authorities have been able to offer suitable conditions of services to attract competent personnel and retain them in their service. Even in these countries a separate personnel system has been able to function due to a combination of factors such as existance of national laws laying down of standards, enforcement of the merit system, common pension system facilitating movement of personnel between local authorities, high standards of salaries and conditions of service generally at par with national standards and the existance of supervisory agencies at the national level, professional organisations and training institutions. There are associations of local authorities to ensure common sound practices. Even in such countries the small local authorities have found it difficult to obtain staff of the required calibre, and transferability is almost impossible. The complete absence of professional organisations in this country and the lack of any standards or norms, and the existance of separate personnel system has resulted in weakening the administrative machinery of the local bodies. The following points merit consideration :—

- (a) There is absence of a well-organised merit system and there has been lack of proper rules regarding pay scales, qualifications and conditions of service.
- (b) The pay scales and service conditions in local bodies are not satisfactory so as to attract qualified and capable persons to the services.
- (c) The Municipal Council, as the appointing authority, is hardly a suitable agency for exercising administrative and disciplinary control over the employees. Administrative standards are bound to be undermined when the question of punishment or removal of senior employees is to be decided by a vote of the Council. This has promoted nepotism and a feeling of insecurity among the municipal services.

(d) Even if the pay scales were satisfactory and appointments were to be made by selection through an agency such as State Public Service Commission, it has been found that qualified, administrative and technical personnel are not willing to enter municipal services and if they do so it is often as a stepping stone to service elsewhere. This is because of the very difficult conditions of work, relative insecurity and lack of necessary prestige of posts under the municipal authorities. While the major Municipal Corporations have been able to offer better service conditions and to attract some qualified administrative and technical personnel, it has been difficult, for even municipalities having a population of more than a lakh to obtain the services of a qualified administrator or even an Assistant Engineer or a Health Officer.

(e) The smaller local bodies can hardly obtain services of any technical staff even of the subordinate category, while the administrative personnel is often unqualified and incompetent.

3.5. A serious consequence of the failure of municipal bodies to obtain competent technical and administrative staff has been a loss of confidence on the part of the State Governments and other authorities, in the capacity of the municipal bodies to undertake any developmental tasks. Not only has this militated against the process of democratic decentralisation in the urban areas, but has actually led to the reverse process of an increasing assumption of tasks relating to the urban areas by the governmental departments and agencies. For instance, education in the Punjab was taken over by the State Government ten years ago and the Municipalities are being made to contribute to the State Exchequer for the maintenance of educational institutions in their respective towns. Often grants-in-aid remain unutilised because of the lack of competent technical staff. It is not unusual for the State Government, while giving grants or even loans, to lay down that the specific works shall be executed through the departments and agencies of the State Government and the Municipalities have to pay centage charges to the tune of 15 to 20 per cent. Even so the local bodies can do no more than protest against the continuing delays in the execution of the works in which they are keenly interested, but

which generally receive only a very low place in the order of priorities of the executing departments of the Government. There is evidently no alternative to the present arrangements unless local bodies are able to have a personnel system which will equip them for the discharge of all their duties connected with the development and maintenance of local services.

3.6. The Committee considered at some length the main objections to the establishment of the State-wide cadres of municipal services. It felt the opposition to State-wide cadres arises out of considerations of—

- (a) their effect on local autonomy, and
- (b) the financial capacity of the local authorities to pay for such services.

3.7. Regarding local autonomy the Committee felt that the question should be considered in an overall context. The Committee was in favour of allowing the requisite freedom to the local authorities to deal with their problems in the light of local conditions, and it is also the Committee's view that local authorities should be entrusted with the developmental duties to the greatest possible extent through a process of democratic decentralisation. But, as has been pointed out above, decentralisation over the entire field of development and maintenance of urban services of dependent on the competence and capacity of the authorities to undertake these tasks. This in turn requires adequate qualified staff. The experience of a century of urban local government has demonstrated that a separate personnel system has utterly failed to attract high quality administrative and technical staff to local bodies, which has greatly undermined the efficiency, and consequently the autonomy of the municipal authorities, as the State Governments have been compelled to take over local functions and even to place the local authorities under administrators. A separate personnel system has on the other hand encouraged exercise of patronage by local councils to the detriment of the efficient functioning of municipal services. More often than not, the urban local authorities, even with a population of a lakh or two, have been unable to obtain the services of a qualified health officer, engineer or a competent executive officer. The municipal officers appointed with local influence have in turn to depend for their security of service on local patronage and, more often than not, they indulge in party politics, to ensure their own survival. The only way to rid our

municipalities of such unhealthy atmosphere is to ensure that the permanent services do not develop local vested interests and that their posts are made transferable through a system of State-wide cadres.

3.8 It may be argued that the merit system can be enforced by municipal bodies through rules for recruitment of municipal servants in consultation with the State Public Service Commission or a special Municipal Service Commission. This may no doubt ensure selection by merit but it does not make the service attractive because of lack of opportunities for promotion and security of service, nor can such an arrangement have the advantage of transfer of municipal servants. The absence of such service conditions results in lack of suitable candidates for selection by a Commission or a Services Board. Transferability ensures, on the one hand, the availability of staff to lower grade municipal authorities in the first instance and opportunities through promotion to higher level local authorities who in turn get the benefit of experienced officers to gradually build up the capacity to undertake higher responsibilities.

3.9. The Committee was, however, anxious to ensure that persons unacceptable to the local authorities are not forced on them and they should have adequate control for securing effective executive of the programme and policies of Municipal Councils. The Committee felt that the system of transfers will be conducive to such an arrangement. The State Governments can, however, have a system of consultations with the Councils while posting individual officers. There should also be a provision for the transfer of an officer if the Municipal Council desires withdrawal of an officer by a substantial majority say 3/5th's or 2/3rd of the total membership voting for the same. The President/Mayor of the Municipal Council and/or the Chief Executive Officer should have the power in respect of the various categories of encadred staff to initiate confidential reports of their work. They may also frame any charges for dereliction of duties or malpractices against an officer for suitable action by the State Government. It will be appreciated that even the merit system of selection by an independent Commission will not give the local authorities any greater powers under the prevailing arrangements for separate personnel for each local body.

3.10. The Committee was deeply conscious of the need of strengthening the finances of local bodies as a pre-condition for their being able to offer suitable scales of pay and other services benefits to their employees. It was particularly felt that the middle level and lower grade Municipalities may not be able to afford to pay for qualified engineers and health officers and may not have even the work load to justify the appointment of such full-time officers. The Committee was in favour of careful consideration of the recommendation of the Committee on the Augmentation of Financial Resources of Urban Local Bodies, as well as those of the Rural-Urban Relationship Committee, for ensuring better revenues to the local bodies. The Committee particularly felt that revenue from Property Taxes can be substantially increased by establishment of a Central Valuation Agency at the State-level for proper assessment of the annual value of properties, and by streamlining the municipal machinery for effective collection of municipal dues. Proper tax collection and administration can substantially enhance the municipal revenues and this depends very much on the quality, training and freedom from extraneous influences of municipal personnel. The Committee felt that benefits derived from the employment of well-trained, qualified and adequately paid staff in the form of better revenues and efficient administration will more than counter-balance the seemingly extra expenditure.

3.11. The burden of expenditure of qualified staff of municipal bodies would be related to the status of the municipality which in turn depends on its income and population. The municipal bodies are to be divided into different categories and the pay scales for corresponding posts in the different grades of municipalities will vary so that the pay scales are bound to be lower for the municipalities with lesser income, thus making the burden of expenditure proportionate to what the respective municipal bodies can bear. It should also be possible under a State-wide cadre to appoint one technical official to supervise the work of two or three adjoining local authorities giving the necessary workload. Apart from these steps, the Committee was of the view that the State Governments have also the responsibility to ensure the effective functioning of urban local bodies. As the municipal bodies gain in competence the State Government will be relieved of much of their responsibilities in local matters. All State Governments do give some grants, general or specific, and the Committee feels that the provision of

competent personnel for the local authorities is not only an appropriate subject for grants but a matter that needs being given priority. The Committee favours the practice followed in Uttar Pradesh where the emoluments of Health Officers are met from the State funds. In Madras and Andhra Pradesh the Municipal authorities pay only 25 per cent towards the cost of the post of Health Officer and 50 per cent for the post of an Engineer. These indirect grants to the Municipalities are in no way excessive and can pay rich dividends by substantial improvements in the maintenance of healthy environments in our towns and cities.



CHAPTER IV

STATE CADRES AND SERVICE CONDITIONS OF MUNICIPAL EMPLOYEES

4.1. The Committee, came to the definite conclusion that it is desirable to constitute State-wide cadres of municipal employees, and it was also felt that the Municipalities could not claim absolute autonomy and the exclusive rights to appoint their own servants. Local Government is exclusively a State subject as per entry 5 of List 2 of the Seventh Schedule of the Constitution. The State Legislatures are the competent authorities to make laws for the functioning of Municipalities and define the limits of their powers. A number of State Governments have already constituted State-wide cadres for certain categories of municipal services in accordance with the provisions of municipal laws duly enacted by the State Legislatures. Nevertheless, the Committee considered it proper to have the matter examined by the Ministry of Law regarding the competence of the State Governments to constitute such cadres and the manner of their administration and control. The Law Ministry was definitely of the view that the provision could be made by the State Legislature that the transfers, appointments, postings etc. of the members of the municipal services would be regulated by the State Governments. It was not necessary that a person belonging to the municipal services would automatically be eligible for appointment to any other State service. They also pointed out that it was a question of policy whether the salaries etc. of the members of municipal services should be paid from the consolidated fund of the State and later recouped from the municipal body concerned. They were also of the view that such posts would be regarded as civil posts covered by Article 311 of the Constitution. The real test for determining whether a person is holding a civil post in the State or depends not on whether he is paid out of the State fund but whether the post is held under the administrative control of the State. The Ministry of Law did not see any objection to the constitution of a separate Municipal Services Commission for a State. As regards the absorption of the existing employees of the Municipalities in the respective State cadres, it was stated that the principle of natural justice will demand that

the existing employees of the local authorities should be given the option to become members of the proposed service.

4.2 As indicated earlier the Rural Urban Relationship Committee had examined the question of municipal cadres and service conditions of municipal staff, and their recommendations on these matters, given in Annexure III, were duly considered by the Committee. The views of the members of the Committee were also obtained and the comments received from the Governments of Bihar and Uttar Pradesh are given in Annexure II. These recommendations were also considered by the Committee before formulating its recommendations which are set out below:—

Coverage of State cadres.—The Rural Urban Relationship Committee has recommended that in the initial stages posts equivalent to those of Gazetted Officers in the State Government should be included in State cadres and they proposed that they should be broadly grouped as under:—

- (a) Administrative Service—Municipal Commissioners, Deputy and Assistant Municipal Commissioners, Executive Officers or Chief Officers, Secretaries, Revenue Officers and Accounts Officers.
- (b) Engineering Service—Municipal Public Health and Water Works Engineers and Town Planners.
- (c) Medical and Health Service—Health Officers and Medical Officers.
- (d) Education Service—Education Officer, Superintendent of Education and heads of Higher Secondary Schools and Colleges.

The Committee had been of the view that it would be desirable in the first instance to include what may be described as the key posts for the different grades of Municipalities and Municipal Corporations in the State Cadres. It was, however, noted that the Governments of Uttar Pradesh and Andhra Pradesh as well as Rajasthan have included subordinate administrative staff to the level of a Head Clerk and technical services down to the level of overseers and sanitary inspectors in the State Cadres. The Committee was of the view that it will not be possible to tone up the municipal administrative machinery and to ensure the proper enforcement of municipal rules and byelaws without encadring the subordinate

managerial and inspector level staff as has been done in Uttar Pradesh and Andhra. The Committee, therefore, recommends early steps being taken by the State Governments for comprehensive State-wide cadres. In any case as a minimum first step the posts recommended by the Rural Urban Relationship Committee as mentioned above should be provincialised without delay.

4.3. The Committee also considered the recommendations of the Rural Urban Relationship Committee for a State-cum-Municipal accounts and audit services. The Committee felt that the functions of audit should continue to be exclusively controlled by the Examiner of Local Fund Accounts as a Department of the State Government. A separate accounts service for the Municipalities should however be constituted in all States. Similarly, the Committee was of the view that the assessment of municipal properties for purposes of levy of property taxes should be done by a State level Valuation Department and there was no need of having a separate service of Assistant officers.

4.4. The Rural Urban Relationship Committee have also recommended the devision of municipal services into three grades namely, special grade, grade I and grade II *vide* para 8.13 of the Report. The Committee agrees with the basic principal of grading of Municipalities according to their population and revenue status, in order to relate the various grades of employees to the different grades of pay scales applicable to the various classes of the Municipalities. The State Governments may, however, grade the Municipalities and those services in the light of conditions prevailing in these States.

4.5. *Unified Vs. Integrated cadres.*—The Rural Urban Relationship Committee, while recommending a system of unified cadres for the administrative posts, suggested that it would be more convenient and advantageous to have combined integrated services for Municipal Engineers, Town Planners, Medical and Health Officers and other technical posts. As would be clear from the particulars given in Chapter II, some of the State Governments have already found it convenient to have integrated cadres for Engineers and Health Officers as in Orissa, Andhra Pradesh and Madras. In Orissa even the Executive Officers of Municipalities belong to a common integrated State cadre. Uttar Pradesh has had a system of integrated cadres of Health Officers over the last 40 years. The Bihar Government in their note (Annexure II) have stated that the municipal law has been recently amended to create posts of

Executive Officers in Municipalities and deputing of State Civil Service personnel to man these posts which gives it the character of an integrated service. Nevertheless, they have expressed the view that while the ultimate aim may be to have integrated services for technical posts, all technical personnel in Municipalities should, in the first instance, be brought together under unified Engineering, Medical Health Services etc. In Uttar Pradesh, where unified cadres of all types of services have been created, it was felt that it would have been difficult to absorb the existing Municipal Engineers, and Medical Officers in an integrated cadre which would make them automatically a part of the established technical cadres in the State Governments. The Committee, however, felt that while in the initial stages the State Governments may take recourse to unified or integrated cadres for various categories of services in the light of the circumstances prevailing in each State, the ultimate objective should be to integrate municipal services with corresponding categories of State Services in order to ensure that the personnel available for municipal employment would have the desired competence and prestige enjoying appropriate conditions of service.

4.6. *Scales of Pay*.—The Committee was mainly concerned with the improvement of service conditions as a means to ensuring better administration for the local bodies. The Rural Urban Relationship Committee has recommended that the pay scale should be both fair and adequate having regard to the duties and responsibilities of the various posts, and the emoluments of municipal employees of various classes and grades should be comparable with those of the corresponding State Government employee. It has been pointed out in Chapter III that in order to attract and retain the services of competent people in municipal administration the pay scales offered have to be of the appropriate standards. The State Governments therefore, should consider the question from the point of view of attracting better talent to man municipal services. There is a feeling that it may not be possible to bring the scales of pay of municipal employees at par with those of the State Government employees in view of the difficult financial position of the local bodies. The Committee was, however, of the view that the scales of pay should be sufficiently attractive and commensurate with the qualifications and duties attached to the post. The Committee felt that the emoluments of the employees of the municipal bodies will ultimately have to be brought at par with the corresponding

employees of the State Governments to ensure effective functioning of the municipal machinery. The Committee took note of the fact that the scales of pay may vary from State to State and it was not possible for the Committee to suggest any uniform scales of pay for all the States. Nevertheless, the posts under local bodies would have to be equated with some corresponding posts in the State Governments. For instance, the pay scales of engineering, health and education staff in the different grades of Municipalities would have to be related to the various levels in the State Governments. Similarly in revenue and administrative fields the Executive Officers Class II local bodies should be of the same rank as those of the Tehsildars or some equivalent post in the revenue service and so on. This recommendation about parity in pay scales is equally applicable to the superior and subordinate services of the Municipalities.

4.7. It was brought to the notice of the Committee that sometimes the pay scale of the Chief Executive or municipal Commissioner of a local body was lower than that of the Municipal Engineer, Health Officer, raising complex issues of financial and administrative control and discipline. The Committee felt that there will have to be appropriate relationship between the pay scales of administrative and technical staff and the gradation of the municipal authority to which they are posted. The pay scale of the administrative head should in no case be lower than those of the other municipal officers.

4.8. A question was raised whether the members of the cadres of the municipal services should be paid in the first instance from the consolidated fund of the State or they should draw their salaries directly from the funds of the municipal body to which they are assigned for the time being. The Committee took note of the fact that in a number of States the incumbents draw their salaries from the consolidated fund of the State Government and the amounts along with the leave and pensionary contributions (in full or in part as in Andhra and Madras) are recouped from the Municipalities concerned. The same practice is being adopted in Bihar in respect of the Executive Officers. On the other hand, in Orissa where the persons posted to Municipalities belong to an integrated cadre of State and municipal services, the deputed officers draw their salaries from the municipal fund and the municipal Councils have also to pay leave salary and pensionary contributions to the Government. In Uttar Pradesh, the Government have found it convenient

not only to the pay and allowances being drawn directly from the Municipalities to which the officers are posted but arrangements for the time being have been made for even leave salaries being paid by the Municipalities from which an incumbent proceeds on leave while transfer expenses as well as the salaries over the transit period are borne by the municipal authority to which the person is transferred. The Provident fund and pensionary arrangements also have been retained with the Municipalities and Corporations as a transitional measure.

4.9. The Committee is of the view that the essential elements of municipal cadres are the administrative control of the State Government, the transferability of the incumbents, and a fair and impartial process of selection and promotion (through the Public Service Commission). The question of drawing of salaries initially from the municipal fund or the State consolidated fund is a matter of convenience that should be left to the State Governments. In any case, by and large, the Municipalities and Corporations have to bear the expenses of the staff in the ultimate analysis either by direct disbursement or by reimbursement subject to such concessions as might be allowed by the State Governments. The U.P. experiment, shows that the process of centralisation of municipal services at the State level can be hastened and expedited if the State funds are not involved in the initial stages. It would also perhaps be convenient that the encadred personnel draw their salaries directly from the municipal fund. This will help in the identification of the loyalties of the staff to the local government agencies.

4.10. While the personnel under unified or integrated cadres or on deputation may draw their monthly salaries directly from the municipal fund, the Committee was definitely of the view that there should be a centralised fund in every State for the effective and efficient administration of leave and retirement benefits. This fund will not at all be a burden on State revenues as it will be made up of contributions from the municipalities on the basis of the encadred personnel employed by each. Similarly the Provident Funds should be centralised and they will be made up of contributions according to the Provident Fund Rules from the employees and the employing municipalities and Corporations. The Central regulations and control of pensionary and Provident Funds would inspire greater confidence and would facilitate the administration of these funds from the point of view of the employees. The Committee also felt that the encadred personnel should be given medical benefits on

the same basis as applicable to the State Government servants. It will also be necessary that the municipal authorities should provide adequate housing facilities particularly for the staff holding transferable posts, so that transfers may be facilitated without creating difficulties of accommodation.

4.11. *System of recruitment*—The Committee gave due consideration to the desirability of the recruitment of the personnel of State-wide municipal services being done through the State Public Service Commission or a separate municipal services commission set up for the purpose. It is evident that so far as integrated cadres are concerned consultation with the State Public Service Commission is obligatory under Article 320 of the Constitution. In so far as unified cadres are concerned, there are different opinions about the legality or the desirability of having a separate Municipal Services Commission. The Committee is of the view that while it may be appropriate to have a separate Municipal Service Commission for recruitment to individual posts of Municipalities and corporations under a system of separate cadres, it will be convenient and advantageous to use the existing machinery of the Public Service Commission in the various States for recruitment to municipal services also. Such a step will place the matter outside the range of legal controversies and would at the same time give to the municipal cadres a status and a prestige comparable to those of the purely State Government cadres. Moreover, selection by the State Public Service Commission will help in promoting integration of State and municipal service at any stage desired in future. This will also help to open the possibilities of the incumbents in municipal cadres competing with government servants for comparable posts in the State Governments to be filled in consultation with Public Service Commission.

4.12. A—part from the posts that are included in State-wide cadres the Committee recognise the possibility of having both superior and subordinate posts in the Municipalities and Corporations to meet their individual special requirements. There is bound to be a certain range of posts that it will not be possible to include in State-wide cadres at any stage in future. The Committee feels that it is necessary to make suitable provisions for enforcing the principle of merit in the selection and recruitment of personnel for such posts. The Committee therefore agree to the recommendations of the Rural Urban Relationship Committee that posts

carrying an initial salary of Rs. 150 per month or over, and not included in State-wide cadres, should also be filled in consultation with the State Public Service Commission according to the procedure laid down by rules by the State Government.

4.13. As regards posts of which the initial salary is less than Rs. 150 per month, excluding the Class IV staff, statutory provisions should be made for selection committees according to the local conditions. For instance in the Municipal Corporations of Uttar Pradesh the Corporation Act provides for Selection Committee consisting of the Municipal Commissioner or a Deputy Municipal Commissioner, the Municipal Chief Auditor and Head of the Department concerned. For Municipalities in general, some States have provided for a selection Committee at the District level under the Chairmanship of the Collector. It is essential that detailed rules be drawn up with regard to qualifications, methods of recruitment etc. of such services by each State Government and a statutory provision should be made for a Selection Committee free from local influences as far as possible.

4.14. *Direct Recruitment vs. Promotions*—One of the essential conditions of a contented career service is the in-built opportunities for promotions to positions of higher responsibility. The transferability of incumbents of such cadres is, among other things, also a vehicle for promotion to higher posts. The Committee was at the same time deeply conscious of the desirability of injecting new blood into the service at appropriate levels by direct recruitment. It was noted that in Uttar Pradesh posts carrying initial salaries of Rs. 500 or over are to be filled entirely by promotion from amongst the incumbents in the next lower category in consultation with the State Public Service Commission. For lower posts the principle of 50 per cent by promotion and 50 per cent by recruitment has been accepted. Even for the lowest posts in the encadred services, opportunities are to be given to the non-encadred subordinate officials of the Municipalities on the basis of merit and seniority. The corresponding rules in Rajasthan and Andhra Pradesh have followed a similar principle providing for varying percentages for promotion and direct recruitment for the various grades of service as has been explained in the earlier chapter.

The Committee recommends that recruitment to superior posts such as those of the Deputy Municipal Commissioners and Heads of Departments in the Corporations, Executive Officers, Municipal

Engineers and Health Officers of special grade of Class I Municipalities should be entirely by promotion. It is also recommended that the system of promotion for the technical services such as Engineering and Public Health should on the same lines as those applicable to similar class of services in the same Government. For the other posts the recruitment should as far as possible be on the basis of 50 per cent by promotion and 50 per cent by direct selection through the Public Service Commission. The Committee considered it to be of the essence of good service conditions that the opportunities for promotion should be such that the entrants to municipal services could with merit and qualifications aspire to the highest position in the hierarchy.

4.15. *Disciplinary Control*—In respect of the State-wide cadres the disciplinary control and ultimate powers with regard to appointments, postings, grant of leave etc. must rest with the State Government. We agree in this connection with the recommendations of the Rural Urban Relationship Committee for a Directorate of Municipal Administration to take care of all personnel matters. Nevertheless, as has been indicated in para 3.8 of the previous chapter, the local authorities should be consulted as far as possible in the matter of postings and it should be incumbent on the State Government to transfer a person if so required by a 2/3 votes of the total membership of the Municipal Council.

4.16. The recommendations of the Rural Urban Relationship Committee regarding confidential reports were considered in detail. The Committee felt that the non-official Chairman or Mayor should be given the responsibility of expressing opinion on the work of the Chief Executive and Senior-most Engineer and Health Officer. This was necessary in the interest of discipline and loyalty. After all the local bodies are the training fields for non-officials to enable them to take up responsibilities at higher levels, and their right to express themselves about the work of the officers under them cannot legitimately be denied. Moreover there have hardly been instances of politically neutral officials not having received due approbation and commendation for the work done by them. The final review would, in any case, be with the State Government.

4.17. The Committee was also alive to the need of inculcating among the members of State-wide services a spirit of loyalty and devotion to the work of local bodies. They should be inspired

with the idea of specialisation in a particular field and training-courses should be organised for giving them professional orientation, as well as for preparing them to adjust to the requirements of service in local bodies. There may be instance of the elected Councilors having suspicions about the loyalties of the municipal services, and even in matters where the executives are not in a position to carry out the directions due to legal limitations and national policies. Joint seminars of elected non-officials and senior officials of municipal bodies can help to bring about a measures of understanding for furthering the common cause of the development and maintenance of urban services.

4.18. In respect of the posts which are not included in State-wide cadres three categories are envisaged :—

- (a) Posts requiring reference to Public Service Commission as mentioned above.
- (b) Subordinate posts to be filled in consultation with the special selection committees, and
- (c) Class IV employees.

4.19. The appointing authority in respect of (a) and (b) above should the Chief Executives of the Municipal body and the powers of disciplinary control and punishment as well as final assessment of annual work leading to entry in the character rolls should vest in the Municipal Commissioner or Executive Officer. Appeals or decisions of this authority should lie with the Chairman/Mayor while all disciplinary proceedings in respect of the persons appointed in consultation with the Public Service Commission will require concurrence of the Commission. In the event of different opinions the matter should be referred to the State Government for a final decision. In certain cases where the Municipal Chairman or Mayor are the appointing and punishing authority the right of appeal will lie with the State Government.

4.20. As regards Class IV employees the powers of appointment should vest in the head of Department and their selection may be made through the employment exchange or through departmental committees as may be considered necessary in the case of each Municipality, or Corporation. The disciplinary control should vest in the head of department and appeal against punishment or representation against adverse remarks lie with the Executive Officer or the Municipal Commissioner.

4.21. The Committee is in full agreement with the Rural Urban Relationship Committee about the need of providing training facilities for all categories of employees of municipal bodies. The Committee also emphasises that arrangements should be made for the orientation of non-official members who should be acquainted with municipal laws, organisation, finances and administration. The Committee notes with satisfaction the steps that have been taken in this direction by the Ministry of Health Family Planning and Urban Development in pursuance of the recommendations of the Nur-ud-in Committee of the Training of Municipal Employees. A Centre for Training and Research in Municipal Administration has been started at the Indian Institute of Public Administration in Delhi. The Committee urges on the State Governments and Municipalities to take full advantage of the facilities provided by this Centre in matters of training and municipal studies. There are proposals for the establishment of Regional or State Institutes in accordance with recommendations of Nur-ud-in Committee and Rural Urban Relationship Committee. Some of the State Governments have expressed their deep interest in the establishment of such Regional Institutes. The Committee would urge the speedy organisation of the regional bodies in consultation with the State Governments in order to provide facilities for training of middle level staff as well as of employees in lower grade municipalities. They should also organise studies and researches in the context of local conditions and give facilities for the orientation of officials and non-officials concerned with Municipal Administration in their areas.

Sd/- B. S. Murthy
 Vermeshwar Pandey
 M. Muthuswamy
 P. G. Kher
 Bhola Prasad Singh
 Sharda Charan Tewari.

November 18, 1967.

ANNEXURE I

(Ref. Paras 1.5, 4.2 & 4:5)

*Comments of the State Governments on the recommendations of the Rural Urban Relationship Committee**

1. COMMENTS OF GOVERNMENT OF BIHAR

(a) State Cadre for Municipal Officers :

(i) Paragraphs 1 to 4 were discussed at the meeting of the Ministers' Committee in Delhi on the 5th June, 1967, and it was agreed that the Committee should accept the recommendations contained in paragraph 3. It was, however, felt that while the ultimate aim may be to have integrated services for technical posts, it may be necessary in the beginning to have only unified cadres. All the technical personnel in the municipalities should be brought together into an unified Engineering Service, another unified Medical and Health Service, etcetera. Later on, the question can be considered of integrating these municipal services with the State Cadres of technical officers.

It was further agreed that provision for a common Valuation-cum-Assessment Agency at the State level for making assessment of municipal taxes should be included in this paragraph. The setting up of such an Agency has been recommended by many advisory bodies, including the Committee on Augmentation of Financial Resources of Local Bodies. In Bihar, Legislation is already being drafted for setting up such an agency.

(ii) On paragraph 5 it is felt that for the present there may be unification of the Accounts Officers and staff of the municipal bodies, and this unified service may function under the Directorate of Local Bodies. As far as the Audit is concerned, it may continue for the present to be handled by the Examiner of Local Accounts with the staff of the All India Audit Department.

(iii) As regards paragraph 6, Municipal Officers may be a unified cadre under the Directorate. Assessment Officers, however, will be a part of the State level Valuation-cum-Assessment Agency, and they will only be deputed from time to time to make assessments in different local bodies. The intention of the common Valuation-cum-Assessment Agency at State level is that it should be quite independent of the control of the local bodies, although the Director of Local Bodies may have over-all control over this Agency also. The Rural Urban Relationship Committee seems to have modified the proposal of the earlier Committees regarding the common Valuation Agency. According to the Rural Urban Relationship Committee, the intention seems to be that Valuation Officer will be posted in the different local bodies to do the valuation and assessment work. On the other hand, it seems preferable to keep these Valuation-cum-Assessment

*Recommendation of Rural Urban Relationship Committee are given in Annexure III.

Officers outside the control of the local bodies, and that is the provision made in the draft legislation in Bihar. If this is accepted, there will not be a unified transferable service of Assessment Officers. All the Officers will be part of the common Agency at the State headquarters. Subject to this, the recommendation in para 6 may be accepted.

(iv) The recommendations in paragraphs 7 & 8 may be accepted.

(v) On paragraph 9 it may be mentioned that in Bihar by amending the law recently, we have posted Executive Officer in municipalities. The arrangement for the salaries of these Executive Officers (who are on deputation from the State Civil Service) is that they are paid in the first instance from the Consolidated Fund of the State. Subsequently, for each quarter, the Accountant General makes recovery from the municipalities concerned by adjustment, and the State Government is reimbursed. This arrangement may be much better than merely saying, as is said in para 9, that "the salary should be a charge on the municipal fund." The arrangement followed in Bihar will obviate the possibility of any delay or harassment to the officers concerned.

(vi) Paragraphs 10 and 11 would become effective if the services are integrated. As regards unified services, we may agree that the Director of Local Bodies (if necessary, the name can be changed to Director of Municipal Administration) will control the unified services.

(vii) On paragraph 12 it may be mentioned that at present the confidential report on the Chief Executive Officer of the Corporation is written by the Divisional Commissioner, while the reports on Executive Officers are written by the District Magistrates and Divisional Commissioners. It seems desirable to adhere to this general pattern. As the Director of Local Bodies will hereafter be a very important Officer with direct and intimate knowledge of the work of the various municipal cadres, it would be appropriate to provide for the recording of annual confidential remarks on the Chief Executive Officer, as well as the Executive Officers of Municipalities, by the Director of Local Bodies. At the same time, the District Magistrates and the Divisional Commissioners may continue to record their remarks on Executive Officers, while the Divisional Commissioner alone will record remarks on the Chief Executive Officer of the Corporation.

(viii) Paragraph 13 may be accepted.

(ix) Paragraph 14 introduces a suggestion for a sort of removal of the Chief Executive Officer and other Officers of State Cadres by Resolution of the local body. This recommendation may not be accepted. The provision in Section 50 of the P.M.C. Act for the removal of the Chief Executive Officer seems to be more suitable and it may be adopted.

*50.(2) The Chief Executive Officer may be removed by the State Government from office after consultation with the Public Service Commission if the State Government is satisfied, on a resolution passed by the Corporation or otherwise, that the Chief Executive Officer is incapable of performing the duties of his office or has been guilty of any misconduct or neglect which renders his removal expedient."

(x) Paragraphs 15 and 16 may be accepted.

(b) Service Conditions of Municipal Staff:

(i) Paragraphs 1 and 2 may be accepted.

(ii) On paragraph 3 it may be mentioned that in Bihar there is a proposal to have a Junior Public Service Commission for non-gazetted posts, and this Commission may advise on recruitment to subordinate services in the municipalities also. This will be much better than having individual Committees in each Municipality. After all, the Act has got to be amended for providing all these things and it is equally simple to make amendment providing for the advice of the Junior Public Service Commission.

(iii) No comment on para 4 is necessary in view of what has been said of para 3

(iv) The remaining recommendations may be accepted.

2. COMMENTS OF THE GOVERNMENT OF UTTAR PRADESH

(a) State Cadres for Municipal Officers

Recommendation No. 1: Agreed.

Recommendation No. 2: Agreed.

Recommendation No. 3: Centralised services of nineteen categories of municipal employees have been created, in Uttar Pradesh. A copy of the orders issued in this connection is attached. The State Government is the appointing, transferring and controlling authority in respect of these services but the salaries etc. are drawn from the funds of the Municipality to which the Officer of Centralised Service is posted. The existing incumbents have been absorbed in the service provisionally subject to option to opt out by a given date. The State Government has also a right of screening the record of existing employees before finally absorbing them in the Centralised services. Direct recruitment to the posts will be made through the Public Service Commission. The scales of pay have been revised so as to bring them as near as possible to those of Government servants of comparable categories. The Municipal services have thus been made sufficiently secure and respectable and attractive too.

Recommendation No. 4: The technical services in the Municipal Corporations/Boads have been centralised under different categories. The personnel appointed on these posts are transferable from one local body to another and are under the disciplinary control of the Local Body concerned for the duration of their stay there except in certain matters involving major punishments, like removal, dismissal and reduction in rank where the State Government exercises the necessary powers. The pay-scales of these personnel have also been kept at a slightly lower level than that applicable to Government servant of comparable categories. For these reasons and also from the administrative point of view, the State Government are not agreeable to the integration of the Municipal Services with the State cadres.

Recommendation No. 5(a) & 5(b): The services of accountants in the Corporations and Class I Municipalities and of auditors in the Municipal Corporations have been centralised. For the same reasons for which it has not been considered feasible to integrate the Engineering, Health Services etc. in the State cadres, the State Government are of the view

that the services of auditors and accountants should not be integrated with the State Department of Examiner, Local Fund Accounts. Another important reason for this is that the Department of Examiner, Local Fund Accounts, should always be manned by independent personnel, as they audit the accounts of various local bodies and there should be no interchange of staff of the Examiner, Local Fund Accounts with that of the Local Bodies. As the Examiner also audits the accounts of various charitable institutions, educational institutions etc., for this reason too, integration of Municipal Accountants and Auditors with the Examiner, Local Fund Accounts Department would not be appropriate.

Recommendation No. 6 : Orders issued by the State Government in regard to Centralisation of Municipal Services have classified the officers including Revenue and Assessment Officers of various categories of Local Bodies. No further action is necessary in this regard so far as these personnel are concerned.

Recommendation No. 7 : The centralisation of service rules provide for fairly satisfactory scales of pay for various classes of municipal employees, having regard to their duties, responsibilities, qualifications etc. Their scales of pay in most of the cases are, however, slightly lower than those of Government servants of comparable categories. There are various reasons for this variation, the important among these being the source and method of recruitment, comparative merit of the candidates and the type of duty and responsibility attached to the posts. So far as opportunity for promotion is concerned, the centralised services rules do provide certain avenues of promotion from lower posts to higher posts.

Recommendation No. 8(a) & (b) : The Centralised Service Rules already provide adequate promotion opportunities to the municipal employees. Out of the 76 posts included in the 19 categories of Centralised Services, 25 posts are to be filled in exclusively by promotion from lower ranks within the Centralised Services, for 38 posts both promotion and direct recruitment has been provided on 50:50 basis, and it is only for 13 posts in most of which technical qualifications are necessary, that direct recruitment is made. The senior posts like Up Nagar Adhikari in the scale of 500-1250, are filled by promotion alone. Similar is the case in regard to the other senior posts. The posts of Corporation Commissioners are being filled in by Officers of the Indian Administrative Service.

Recommendation No. 9 : Agreed. This principle is already being applied.

Recommendation No. 10 : The administrative and technical officers of the Local Bodies form cadres within the Centralised Services and in the State Government's view should not be part of the State cadres. The incumbents of these posts are, however, transferable, from one local body to another and while they remain under the disciplinary control of the Local Body where they are posted for the time being, their transfers, postings and disciplinary action on important matters are dealt with by the State Government. The creation of a Head of Department like the Director or Commissioner of the Municipal Administration is under the consideration

of the State Government. When such a post is created, the Director or the Commissioner would exercise most of the powers of Government in regard to these services.

Recommendation No. 11: The Director/Commissioner of Municipal Administration would, while dealing with centralised services, have also liaison with the State Government.

Recommendation No. 12: The annual remarks in respect of officers under the Municipal Commissioner/Chief Executive Officer of the municipal body concerned are recorded by the Commissioner/Chief Executive Officer. In respect of Municipal Commissioners/Chief Executive Officers who do not belong to the I.A.S. the Mayor/President of the Municipal Board concerned, gives the annual remarks. In respect of IAS/State Civil Service Officers these remarks are sent by the Mayor/President to the Government who record the same in the character roll of the officer concerned with such modifications as they deem fit. With the formation of Centralised Services, the remarks in respect of Chief Executive Officers would be sent by the Mayor/President to the State Government and to the Director/Commissioner of Municipal Administration when the latter post is created.

Recommendation No. 13: Agreed.

Recommendation No. 14: This position already obtains in U.P.

Recommendation No. 15: Agreed.

Recommendation No. 16: Agreed in principle. The Programme of training can be expedited if it is made a Centrally sponsored scheme.

(b) SERVICE CONDITIONS OF MUNICIPAL STAFF

Recommendation No. 1(a): Agreed.

No. 1(b): On account of variation in the method of recruitment, conditions of service and degree of responsibility, the State Government, while centralising 19 categories of services in municipal bodies, have in most cases fixed slightly lesser scales of pay than those available in the State Services of comparable categories. Nevertheless, the scales of pay now enforced are much higher than those obtaining previously and are a great advance towards betterment of the conditions of service of municipal staff.

Recommendation No. 1(c): Adequate opportunities have been provided in the Centralised Services Rules for promotion from lower ranks to higher ranks.

Recommendation No. 2: Agreed.

Recommendation No. 3: The entire staff of the Centralised Services consisting of 76 posts have been brought within the purview of the State Public Service Commission. For other lower categories, there is provision

in the U.P. Nagar Mahapalika Adhiniyam, 1959, for constituting a selection committee consisting of the Mukhya Nagar Adhikari and the Departmental Head. These provisions are considered adequate and no change therein seems to be required. In regard to the Municipal Boards also, executive instructions exist for setting up selection committees.

Recommendation No. 4: Almost all the posts carrying a salary of Rs. 150/- and above have been centralised and brought within the purview of the State Public Service Commission.

Recommendation No. 5(a): Apart from the Centralised Services mentioned above, the appointing authority in respect of others is either the Mukhya Nagar Adhikari in the case of Corporations or the Executive Officer or President of a Municipal Board depending upon the category of the services. These provisions seem to be adequate and do not require any change for the present.

Recommendation No. 5(b): The Appellate authority at present is either the Mukhya Nagar Adhikari/President of the Municipal Board/Commissioner of the Division/or the State Government, as the case might be depending upon the various categories of services. No change seems to be required in this regard at present. As and when the post of Director/Commissioner of Municipal Administration is created most of the powers of Commissioner of Division/State Government would be vested in him.

Recommendation No. 5(c): Agreed.

Recommendation No. 6: Agreed.

Recommendation No. 7: Agreed.

Recommendation No. 8: The Municipal Servants Conduct Rules which are more or less akin to the Government Servants Conduct Rules apply to the municipal employees in this State.

Recommendation No. 9(a): Agreed in principle. It is, however, suggested that in view of the urgency and importance of this matter, this may be made a Centrally sponsored scheme and adequate funds provided by the Central Government for providing drainage and sewerage system in various towns of the State expeditiously. Local Bodies/State Government are not in a position at present to provide adequate funds for this purpose from their own resources. Loans given by the Government of India so far for this purpose are very meagre. An element of subsidy is also required for this purpose. The ratio of loan and subsidy may be 50:50.

Recommendation No. 9(b): Agreed. Government of India should subsidise the scheme, as the funds available with the Local Bodies/State Government are very meagre.

Recommendation No. 9(c): Agreed in principle. There are towns in which sewerage system is confined to a particular locality or area alone. Where any new construction is sanctioned that particular area or locality it should make provision for flush latrines.

Recommendation No. 10: At present every municipal board/corporation has a system of contributory provident funds for its permanent employees. Provision in this regard exists in para V of the Sewa Niyamawali.

Recommendation No. 11: Agreed. In view of the urgency and importance of the programme, it may be made Centrally sponsored and the entire funds provided for it outside the State Plan ceiling. The State Government had already moved the Government of India for the establishment of a Training Institute for the training of employees of Local Bodies. The decision of the Government of India is still awaited.



ANNEXURE II

(Ref. Para 2.26)

List of Posts and Scales of Pay in the Uttar Pradesh Centralised Palika Services

Name of Service Posts	Scale of Pay
(1) U. P. Palika Administrative (Superior) Service :	
1. Up Nagar Adhikaris of Mahapalikas.	Rs. 500-50-750-E.B.-50-1,000-E.B.-50-1,250.
2. Sahayak Nagar Adhikaris of Mahapalikas.	Rs. 300-25-400-E.B.-30-550-E.B.-30-700-E.B.-50-850.
3. Executive Officers of Class I Municipal Boards.	(1) Rs. 400-30-550-E.B.-30-700-E.B.-50-1,000.* (2) Rs. 300-25-400-E.B.-30-550-E.B.-30-700-E.B.-50-850.
(2) U. P. Palika Administrative (Subordinate) Service.	
1. Assessing Officers of Class I Municipal Boards.	Rs. 300-20-400-E.B.-25-550-E.B.-30-700.
2. Anubhagiya Adhikari of Mahapalika, Kanpur.	Rs. 250-20-350-E.B.-25-450-E.B.-30-600.
3. Executive Officers of Class II Municipal Boards.	Rs. 250-20-350-E.B.-25-450-E.B.-30-600.
4. Assessing Officers of Class II Municipal Boards.	Rs. 250-20-350-E.B.-25-450-E.B.-30-550.
5. Secretaries of Class I Municipal Boards.	Rs. 250-20-350-E.B.-25-450-E.B.-30-600.
6. Tax Superintendents (including Toll, Terminal or Octroi Superintendents) of Mahapalikas.	Rs. 220-10-270-E.B.-15-360-E.B.-20-500.

*Selection Grade for 20 per cent of the total number of posts.

7. Octroi Superintendents and Tax Superintendents (including Toll and Terminal Tax Superintendents or Toll Superintendents) of Class I Municipal Boards. Rs. 200-10-250-E.B.-15-325-
E.B.-15-400.

8. Assistant Tax Superintendents (including Assistant Toll, Terminal or Octroi Superintendents) and other Revenue Superintendents of Mahapalikas. Rs. 175-8-215-E.B.-10-275-
E.B.-12-350.

9. Executive Officers of Class III Municipal Boards. Rs. 175-8-215-E.B.-10-275-
E.B.-12-350.

10. Assessing Officers of Class III Municipal Boards. Rs. 160-8-200-E.B.-10-260-
E.B.-12-320.

11. Secretaries of Class II and III Municipal Boards. Rs. 160-8-200-E.B.-10-260-
E.B.-12-320.

12. Executive Officers of Class IV Municipal Boards. Rs. 150-7-185-E.B.-8-225-
E.B.-9-270-E.B.-10-300.

13. Assessing Officers of Class IV Municipal Boards. Rs. 150-7-185-E.B.-8-225-
E.B.-9-270-E.B.-10-280.

14. Secretaries of Class IV Municipal Boards. Rs. 150-7-185-E.B.-8-225-
E.B.-9-270-E.B.-10-300.

(3) U. P. Palika Medical (Superior) Service :

Chikitsa Adhikaris (Grade I) Incharge of Allopathic Hospitals/Dispensaries of Mahapalikas. Rs. 300-25-400-E.B.-30-550-
E.B.-30-700-E.B.-50-900.

Chikitsa Adhikaris (Grade II) of Allopathic Hospitals/Dispensaries of Mahapalikas. Rs. 150-25-400-E.B.-25-550-
E.B.-30-700.

Chikitsa Adhikaris (Grade I) Incharge of Homoeopathic Dispensaries of Mahapalikas. Rs. 250-25-400-E.B.-25-550-
E.B.-30-700.

Medical Officers Incharge of Allopathic Hospitals/Dispensaries of Municipal Boards. Rs. 250-25-400-E.B.-25-550-
E.B.-30-700.

Vaidyas and Hakims (Grade I) of Mahapalikas. Rs. 250-25-400-E.B.-25-550-
E.B.-30-700.

(4) U.P. Palika Medical (Subordinate) Service :

Chikitsa Adhikaris (Grade II) of Homoeopathic Dispensaries of Mahapalikas. Rs. 220-10-270-E.B.-15-360-
E.B.-20-500.

Vaids and Hakims (Grade II) of Mahapalikas. Rs. 220-10-270-E.B.-15-360-
E.B.-20-500.

(5) U. P. Palika Public Health (Superior) Service :

Chikitsa Adhikaris Incharge of Infectious Diseases Hospitals of Mahapalikas. Rs. 300-25-400-E.B.-30-550-
E.B.-30-700-E.B.-50-900

Lady Doctors (Grade I) of Maternity and Child Welfare and Family Planning Centres in Mahapalikas. Rs. 300-25-400-E.B.-30-550-
E.B.-30-700-E.B.-50-900.

Medical Officer In charge of Infectious Diseases Hospital of Municipal Board, Mussoorie. Rs. 300-25-400-E.B.-30-550-
E.B.-30-700-E.B.-50-900.

Medical Officers Incharge of Infectious Diseases Hospitals of Municipal Boards. Rs. 250-25-400-E.B.-25-550-
E.B.-30-700.

Lady Doctors (Grade II) of Maternity Child Welfare and Family Planning Centres in Mahapalikas. Rs. 250-25-400-E.B.-25-550-
E.B.-30-700.

(6) U. P. Palika Public Health (Subordinate) Service :

Lady Doctors (Grade III) of Maternity and Child Welfare and Family Planning Centres in Mahapalikas. Rs. 200-10-250-E.B.-15-325-
E.B.-15-400.

Chief Sanitary Inspectors of Mahapalikas. Rs. 175-8-215-E.B.-10-275-
E.B.-12-350.

Chief Sanitary Inspectors of Class I and II Municipal Boards. Rs. 175-8-215-E.B.-10-275-
E.B.-12-350.

Sanitary Inspectors of Mahapalikas. Rs. 150-7-185-E.B.-8-225-
E.B.-9-270-E.B.-10-300.

Sanitary Inspectors of Municipal Boards. Rs. 150-7-185-E.B.-8-225-
E.B.-9-270-E.B.-10-300.

(7) U. P. Palika Veterinary Service.

Veterinary Assistant Surgeons (Grade I) of Mahapalikas.	Rs. 200-15-275-E.B.-15-350- E.B.-20-450.
Veterinary Assistant Surgeons (Grade I) of Class I and II Municipal Boards.	Rs. 200-15-275-E.B.-15-350- E.B.-20-450.
Veterinary Assistant Surgeons (Grade II) of Mahapalikas.	Rs. 160-8-200-E.B.-10-250 E.B.-10-280.
Veterinary Assistant Surgeons (Grade II) of Class I and II Municipal Boards.	Rs. 160-8-200-E.B.-10-250 E.B.-10-280.

(8) U. P. Palika Engineering (Superior) Service.

Nagar, Abhiyanta Nagar Mahapalika, Kanpur.	Rs. 1250-50-1500.
Nagar Abhiyantas of Mahapalikas other than Kanpur.	Rs. 500-50-750-E.B.-50-1,000 E.B.-50-1,250.
Adhishasi Abhiyanta of Mahapalika, Kanpur.	Rs. 500-50-750-E.B.-50-1000- E.B.-50-1,250.
Sahayak Abhiyantas including Sahayak Abhiyants (E & M. Incharge Workshop) of Mahapalikas.	Rs. 300-25-400-E.B.-30-550- E.B.-30-700-E.B.-50-850.
Civil Engineers of Class I, Municipal Boards.	Rs. 300-25-400-30-550-E.B.- 30-700-E.B.-50-850.
Civil Engineers (qualified) of Class II Municipal Boards.	Rs. 250-20-350-E.B.-25-450- E.B.-30-600.

(9) U. P. Palika Engineering (Subordinate) Service.

Civil Engineers (unqualified) Municipal Boards, of Class II.	Rs. 200-15-275-E.B.-15-350- E.B.-20-450.
Overseers (Civil) (qualified) of Mahapalikas.	Rs. 150-7-185-E.B.-8-225-E.B.- 9-170-E.B.-10-300.
Overseers (Civil) (qualified) of Municipal Boards.	Rs. 150-7-185-E.B.-8-225-E.B.- 9-270-E.B.-10-300.

(10) U. P. Palika Water Works, Electrical and Mechanical Engineering (Superior) Service :

Nagar Abhiyantas (Jal Kal) (qualified) of Mahapalikas.	Rs. 500-50-750-E.B.-50-1,000-50-1,250.
Nagar Abhiyantas (Jal Kal) (unqualified) of Mahapalikas.	Rs. 300-25-400-E.B.-30-550-E.B.-30-700-E.B.-50-850.
Water Works Engineers, Electrical Engineers or Electrical and Water Works Engineers of Class "A" under takings in Municipal Boards.	Rs. 500-50-750-E.B.-50-1,000-E.B.-50-1,250. (For qualified). Rs. 300-20-400-E.B.-25-550-E.B.-30-700. (For unqualified).
Mechanical Engineer of Mahapalika, Kanpur.	Rs. 500-50-750-E.B.-50-1,000-50-1,250.
Sahayak Abhiyantas (Jal Kal) (qualified) of Mahapalikas.	Rs. 300-25-400-E.B.-30-550-E.B.-30-700-E.B.-50-850.
Sahayak Abhiyantas (Jal Kal) (unqualified) of Mahapalikas.	Rs. 250-20-350-E.B.-25-450-E.B.-30-600.
Water Works Engineers, Electrical Engineers or Electrical and Water Works Engineers (qualified) of Class "B" undertakings in Municipal Boards.	Rs. 300-25-400-E.B.-30-550-E.B.-30-700-E.B.-50-850.
Assistant Water Works Engineers, Assistant Electrical Engineers or Assistant Electrical and Water Works Engineers (qualified) of Class "A" undertakings in Municipal Boards.	Rs. 300-25-400-E.B.-30-550-E.B.-30-700-E.B.-50-850.
(11) Water Works, Electrical and Mechanical Engineering (Subordinate) Service :	
Water Work Engineers, Electrical Engineers or Electrical and Water Works Engineers (unqualified) of Class "B" undertakings in Municipal Boards.	Rs. 220-10-270-E.B.-15-360-E.B.-20-500.
Assistant Water Works Engineers, Assistant Electrical Engineers or Assistant Electrical and Water Works Engineers (qualified) of Class "B" undertakings in Municipal Boards.	Rs. 175-8-215-E.B.-10-275-E.B.-12½-350.

Water Works Engineers, Electrical Engineers or Electrical and Water Works Engineers (qualified) of Class "C" undertakings in Municipal Boards. Rs. 175-8-215-E.B.-10-275-
E.B.-12½-350.

Superintendent, Power House (both diesel and hydroelectric stations) having an installed capacity of above 1,000 K. W. (qualified) of Municipal Boards. Rs. 175-8-215-E.B.-10-275-
E.B.-12½-350.

Chief Meter Inspectors, Chief Pipe Line Inspectors, Chief Zonal Inspector and Chief Waste Detection Inspectors (qualified) in Mahapalikas. Rs. 175-8-215-E.B.-10-275-
E.B.-12½-350.

Chief Meter Inspectors, Chief Pipe Line Inspectors, Chief Zonal Inspectors and Chief Waste Detection Inspectors (qualified) of Class "A" undertakings in Municipal Boards. Rs. 175-8-215-E.B.-10-275-
E.B.-12½-350.

Mains Superintendent, Mussoorie Municipal Board Hydro-Electric Undertakings. Rs. 175-8-215-E.B.-10-275-
E.B.-12½-350.

(12) U. P. Palika Arboriculture (Superior) Service :

Arboriculturist for Kanpur. Rs. 300-20-400-E.B.-25-550-
E.B.-30-700.

(13) U. P. Palika Arboriculture (Subordinate) Service :

Superintendents, Parks and Gardens. Rs. 175-8-214-E.B.-10-275-
E.B.-12½-350.

(14) U. P. Palika Accounts (Superior) Service :

Lekha Adhikari in Mahapalikas. Rs. 300-25-400-E.B.-30-550-
E.B.-30-700-E.B.-50-850.

Sahayak Lekha Adhikaris in Mahapalikas. Rs. 250-20-350-E.B.-20-450-
E.B.-25-600-E.B.-30-750.

(15) U. P. Palika - Accounts (Subordinate) Service :

Accountants in Mahapalikas. Rs. 175-8-215-E.B.10-275-
E.B.-12½-350.

Accountants in Class I Municipal Boards. Rs. 175-8-215-E.B.10-275-
E.B.-12½-350.

(16) U. P. Palika Audit (Superior) Service :

Mukhya Nagar Lekha Parikshaks of Mahapalikas. Rs. 500-50-750-E.B.-50-1,000-
E.B.-50-1,250.

(17) U. P. Palika Audit (Subordinate) Service :

Lekha Parikshaks of Mahapalikas. Rs. 220-10-270-E.B.-15-360-
E.B.-20-500.

(18) U. P. Palika Education Service :

Lady Superintendents of Education and Superintendents of Education of Mahapalikas. Rs. 250-10-300-E.B.-15-375-
E.B.-20-475-E.B.-25-600.

Lady Superintendents of Education and Superintendents of Education of Class I Municipal Boards. Rs. 200-10-250-E.B.-12-310-
E.B.-15-370-E.B.-20-450.

Lady Superintendents of Education and Superintendents of Education of Class II Municipal Boards. Rs. 175-8-215-E.B.-10-265-
E.B.-10-315-E.B.-12-375.

Lady Superintendents of Education and Superintendents of Education of Class III Municipal Boards. Rs. 150-7-185-E.B.-8-225-E.B.-
9-270-E.B.-10-300.

(19) U. P. Palika Ministerial Service :

Office Superintendents of Mahapalikas. Rs. 225-15-300-E.B.-20-400.

Head Clerks or Office Superintendents of Class I Municipal Boards. Rs. 220-10-280-E.B.-12-340.

ANNEXURE III

(Ref. Para 4.2)

Recommendations of the Rural Urban Relationship Committee

(a) State Cadres for Municipal Officers

1. The essential ingredients of an effective local service, as indeed of any other service, are integrity, competence, impartiality, contentment and devotion to duty. These ingredients are generally absent in the services of local bodies.

(Paras. 8.02 & 8.03)

2. If the local bodies are to ensure a steady flow of qualified and competent personnel for their technical and administrative posts, they obviously cannot have any more freedom of choice in the selection and appointment of personnel than what is available to departments of the Union and the State Governments. The local government services must be organised into proper cadres, enjoy esteem and prestige in the eyes of the community, and successfully compete with other public services—State and Central—in attracting suitable candidates.

(Para. 8.06)

3. The posts to be covered by State cadres may be broadly grouped as under :—

- (a) Administrative Service—Municipal Commissioners, Deputy and Assistant Municipal Commissioners, Executive Officers or Chief Officers, Secretaries, Revenue Officers and Accounts Officers.
- (b) Engineering Service—Municipal, Public Health and Water Works Engineers and Town Planners.
- (c) Medical & Health Service—Health Officers and Medical Officers.
- (d) Education Service—Education Officer, Superintendent of Education and heads of Higher Secondary Schools and Colleges.

(Para. 8.09)

4. It will be more convenient and advantageous to have a combined integrated service for public health engineers, town planners and medical and health officers and other technical posts.

(Para 8.11)

5. (a) It will be desirable to have a State-integrated Municipal Accounts Service to include posts of Accountants and Auditors in the Municipalities and Corporations and the State Department of the Examiner of Local Fund Accounts.

(b) The service may be split up into two grades (a) Accountant and Audit Assistants belonging to class II and (b) Accountants—and Auditors belonging to Class I for higher grade Municipalities and Corporations.

(Para. 8.12)

It would be better to have a separate unified cadre of Municipal Officers, including Revenue and Assessment Officers mainly for administrative duties. The posts in this cadre may be classified as follows:—

Special Grade.... May include Chief Executive Officers/Municipal Commissioners of Special Grade Municipal Boards and Deputy Municipal Commissioners and Administrative Heads of Departments of Municipal Corporations.

Grade I.... May include Assistant Commissioners and Officers of equivalent rank in Municipal Corporations, Executive Officers of Grade I municipalities and heads of Administrative Departments in Special Grade Municipal bodies.

Grade II.... May include Executive Officers of Grade II and III municipalities and junior officers of Grade I and Special Grade Municipal bodies and corporations.

(para. 8.13)

- (a) The scales of pay should be both fair and adequate having regard to duties, responsibilities, qualifications, performance and length of service.
- (b) The pay scales and emoluments of municipal employees of various classes and grades should be comparable with those of the corresponding State Government employees.
- (c) They should as far as possible have equal opportunities for promotion to the highest posts in the municipal government.

(Para. 8.14)

- (a) 50 per cent of the cadre posts should normally be filled by direct recruitment and the remainder by promotion from lower grades, the selection to higher grade posts being made on merits.
- (b) State municipal services should be recognised as one of the feeders for appointment to the posts of Corporation Commissioners and other senior posts.

(Para. 8.15)

9. The salary and emoluments of the officers of the State Cadre should be a charge on the Municipal Fund. In case of inordinate delay in payment, the State Government should have power to enforce it.
(Para. 8.16)
10. The administrative and technical officers of the local bodies who are members of State cadre would be transferable from one local authority to another or to a department of the State Government. The administrative control of unified services, including promotion-transfers, posting, and disciplinary matters would lie with the Director of Municipal Administration.
(Paras. 8.17 & 8.18)
11. In case of integrated cadres, the Director would provide necessary liaison between the Municipal Bodies and the State Department controlling such cadres.
(Para. 8.17)
12. The Annual Report in respect of the various officers, other than the Chief Executive Officer or the Municipal Commissioner, should be drawn up by the Chief Executive of the Municipal bodies, while in respect of the Municipal Commissioners or Chief Executive Officers, the Mayors, Chairmen or Presidents of the Municipal bodies may send their confidential report to the State Government or the Directorate for entry in character rolls.
(Para. 8.17)
13. Too frequent transfers are not helpful to the efficient working and normally an officer should stay with a local body for not less than three years.
(Para. 8.18)
14. The municipal councils may by a resolution adopted at a special meeting by not less than two-thirds majority of the total members request the Government to transfer the Chief Executive Officer or any other officer of the State cadres in the employment of the local body and the State Government or Director of Local Administration as the case may be shall be bound to do so.
(Para. 8.18)
15. The duties and responsibilities of each official should be clearly defined and fixed and the lines of administrative control and accountability carefully determined and strictly enforced.
(Para. 8.22)
16. The Committee attach great importance to the question of providing suitable training for the employees of municipal bodies and would urge the Central and the State Governments to take immediate steps in this direction.
(Para. 8.28)

(b) Service Conditions of Municipal Staff

1. (a) The scales of pay should be both fair and adequate having regard to duties, responsibilities, qualifications, performance, and length of service.
 (b) The pay scales and emoluments of municipal employees of various classes and grades should be comparable with those of the corresponding State Government employees.
 (c) They should as far as possible have equal opportunities for promotion to the highest posts in the municipal government.

(Para. 8.14)

2. It is essential that detailed rules for recruitment, qualifications, training, promotion, disciplinary control and annual assessment of work should be framed by State Governments for subordinate services.

(Para. 8.19)

3. (a) For the recruitment to subordinate services, there should be provision in the Municipal Acts for constituting a Committee to select candidates.
 (b) For Selection Grade Municipalities and Municipal Corporations, there should be a Statutory committee consisting of the Mayor/Chairman, a representative of the State Government or of the Director of Municipal Administration and the Chief Executive of the Municipal body.

(Para. 8.19)

4. All posts carrying an initial salary exceeding Rs. 150/- should be filled only on the advice of the State Public Service Commission.

(Para. 8.20)

5. (a) The appointing authority for all employees other than those belonging to State Cadres and Class IV posts should be the Municipal Commissioner or the Executive Officer as the case may be.
 (b) The appellate authority in respect of disciplinary action in such cases should be the Director or Deputy Director of Urban Local Bodies.
 (c) For Class IV employees, the appointing and controlling authority would be the Head of the Department and an appeal should lie to the executive Officer/Municipal Commissioner against the orders of the Head of the Department in disciplinary proceedings.

(Para. 8.21)

6. The duties and responsibilities of each official should be clearly defined and fixed and the lines of administrative control and accountability carefully determined and strictly enforced.

(Para. 8.22)

7. The Confidential Reports of the subordinate Officers and staff should be prepared by the Heads of Departments concerned and reviewed by the Executive Officer. Rules should be prescribed for the maintenance of character rolls and service books of all the employees.

(Para. 8.22)

8. In the matter of staff relations, the position of the municipal employees *vis-a-vis* municipal authorities should be regarded on the same footing as that of government servants in relation to government.

(Para. 8.23)

9. (a) The problem of the availability of sweepers will become more difficult in future. No effort should be spared to end the present system of removing night soil manually and that all urban bodies should provide drainage and sewerage system in their respective areas within ten years.
 (b) In the meanwhile, improved implements such as wheel-barrows, long handled brooms and work dresses should be provided to sweepers to reduce the drudgery of their work.
 (c) In towns which have a sewerage system, no new construction should be sanctioned unless it has provision for flush latrines.

(Para. 8.24)

10. Every municipal body must have a system of contributory provident fund for all its employees.

(Para. 8.25)

11. The Committee attach great importance to the question of providing suitable training for the employees of municipal bodies and would urge the Central and the State Governments to take immediate steps in this direction.

(Para. 8.28)